

As filed with the Securities and Exchange Commission on April 13 2012

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 20-F

REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR (g) OF THE SECURITIES EXCHANGE ACT OF 1934
OR

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2011

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

OR

SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Commission File Number: 1-14712

FRANCE TELECOM

(Exact name of Registrant as specified in its charter)

Not applicable
(Translation of Registrant's name into
English)

6 place d'Alleray
75505 Paris Cedex 15
France

French Republic
(Jurisdiction of incorporation or
organization)

(Address of principal executive offices)

Contact person: Nicolas Guérin, tel +33 1 44 44 21 05, dirjuridique.dfs@orange.com,
6 place d'Alleray 75505 Paris Cedex 15, France

Securities registered or to be registered pursuant to Section 12(b) of the Act:

Title of each class:

American Depositary Shares, each representing one Ordinary Share, nominal value €4.00 per share
Ordinary Shares, nominal value €4.00 per share*

Name of each exchange on which registered, respectively :

New York Stock Exchange
New York Stock Exchange*

* Listed, not for trading or quotation purposes, but only in connection with the registration of the American Depositary Shares pursuant to the requirements of the Securities and Exchange Commission.

Securities registered or to be registered pursuant to Section 12(g) of the Act:

None

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act:

None

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the
close of the period covered by the annual report:

Ordinary Shares, nominal value €4.00 per share: 2,648,885,383 at December 31, 2011

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Yes

No

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports
pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934.

Yes

No

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of
the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant
was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days:

Yes

No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate website, if any,
every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this
chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post
such files).**

Yes

No

** This requirement is not currently applicable to the registrant.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer.

See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements
included in this filing:

U.S. GAAP

International Financial Reporting Standards as issued by the International Accounting Standards Board

Other

If "Other" has been checked in response to the previous question, indicate by check mark which financial statement item the registrant has elected to follow.

Item 17

Item 18

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes

No

Presentation of information

The consolidated financial statements contained in this annual report of France Telecom on Form 20-F for the year ended December 31, 2011 have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and with IFRS as adopted by the European Union, as of December 31, 2011.

This Form 20-F contains certain financial information presented on a “comparable basis”. The basis for the presentation of this financial information is set out in Item 5 *Operating and Financial Review and Prospects*. The unaudited financial information presented on a comparable basis is not intended to be a substitute for, and should be read in conjunction with, the consolidated financial statements included in Item 18 *Financial statements*, including the Notes thereto.

In this Form 20-F, references to the “EU” are to the European Union, references to the “euro” or “€” are to the euro currency of the EU, references to the “United States” or “U.S.” are to the United States of America and references to “U.S. dollars” or “\$” are to United States dollars.

References to the “2011 Registration Document” are references only to those pages and sections attached in Exhibit 15 to this Form 20-F.

As used in this Form 20-F, the terms “France Telecom-Orange”, “France Telecom”, “Orange”, “France Telecom group” and “the Group”, unless the context otherwise requires, refer to France Telecom together with its consolidated subsidiaries, and “France Telecom S.A.”, as well as “the Company”, refer only to the parent company, a French *société anonyme* (corporation), without its subsidiaries.

References to “the Shares” are references to France Telecom’s Ordinary Shares, nominal value €4.00 per share, and references to “the ADSs” are to France Telecom’s American Depositary Shares (each representing one Ordinary Share), which are evidenced by American Depositary Receipts (ADRs).

Cautionary statement regarding forward-looking statements

This Annual Report on Form 20-F contains forward-looking statements - within the meaning of Section 27A of the U.S. Securities Act of 1933 ("the Securities Act") or Section 21E of the U.S. Securities Exchange Act of 1934 ("the Exchange Act") - about France Telecom, including, without limitation, certain statements made in Item 4.B *Business overview* as well as in Item 5 *Operating and Financial Review and Prospects*. Forward-looking statements can be identified by the use of forward-looking terminology such as "should", "could", "expect", "estimate", "believe", "anticipate", "propose", "continue", "foresee", "benefit", "carry out", "meet", "strategy", "objective", "aim", "development", "intention", "ambition", "risk", "potential", "implementation", "roll-out" or "commitment" or similar expressions or the negative thereof or other variations thereof or comparable terminology, or by the forward-looking nature of discussions of strategy, plans or intentions.

Although France Telecom believes these statements are based on reasonable assumptions, these forward-looking statements are subject to numerous risks and uncertainties, including matters not yet known to us or not currently considered material by us, and there can be no assurance that anticipated events will occur or that the objectives set out will actually be achieved.

Important factors that could cause actual results to differ materially from the results anticipated in the forward-looking statements include, among others:

- fluctuations in general economic activity levels as well as the level of activity in each of the markets in which France Telecom operates;
- the effectiveness of the strategy reflected in the "Conquests 2015" strategic plan as well as of the other strategic, operational, and financial initiatives of France Telecom and the level of Group investment necessary to pursue this strategy and to adapt its networks;
- France Telecom's ability to face intense competition within its sector and to adapt to the ongoing transformation of the telecommunications industry, in particular in France with the arrival on the market of a fourth mobile operator;
- fiscal and regulatory constraints, in particular in setting wholesale rates;
- results of current litigation, in particular the litigation with the European Commission regarding changes to the system for financing the retirement pensions for civil servants working at France Telecom;
- risks and uncertainties specifically related to international operations;
- risks related to the impairment of assets;
- exchange rate fluctuations;
- conditions for accessing the capital markets (in particular risks related to liquidity and credit ratings) and counterparty risks.

Forward-looking statements speak only as of the date they are made. Other than as required by law, France Telecom does not undertake any obligation to update them in light of new information or future developments.

The most significant risks are described in Item 3 *Key Information* – 3.D *Risk Factors*.

Table of contents

PART I	5
ITEM 1 Identity of directors, senior management and advisers	5
ITEM 2 Offer statistics and expected timetable	5
ITEM 3 Key information	5
3.A Selected financial data	5
3.B Capitalization and indebtedness	8
3.C Reasons for the offer and use of proceeds	8
3.D Risk factors	8
ITEM 4 Information on France Telecom	9
4.A History and development of France Telecom	9
4.B Business overview	9
4.C Organizational structure	10
4.D Property, plant and equipment	10
ITEM 4A Unresolved staff comments	10
ITEM 5 Operating and financial review and prospects	10
5.A Operating results	10
5.B Liquidity and capital resources	11
5.C Research and development, patents and licenses, etc.	11
5.D Trend information	11
5.E Off-balance sheet arrangements	12
5.F Tabular disclosure of contractual obligations	12
5.G Safe harbor	12
ITEM 6 Directors, senior management and employees	12
6.A Directors and senior management	12
6.B Compensation	12
6.C Board practices	12
6.D Employees	13
6.E Share ownership	13
ITEM 7 Major shareholders and related party transactions	13
7.A Major shareholders	13
7.B Related party transactions	14
7.C Interests of experts and counsels	14
ITEM 8 Financial information	14
8.A Consolidated statements and other financial information	14
8.B Significant changes	14
ITEM 9 The offer and listing	15
9.A Offer and listing details	15
9.B Plan of distribution	16
9.C Markets	16
9.D Selling shareholders	17
9.E Dilution	17

9.F	Expenses of the issue	17
ITEM 10	Additional information	17
10.A	Share capital	17
10.B	Memorandum of association and bylaws	17
10.C	Material contracts	18
10.D	Exchange controls	18
10.E	Taxation	18
10.F	Dividends and paying agents	24
10.G	Statement by experts	24
10.H	Documents on display	24
10.I	Subsidiary information	24
ITEM 11	Quantitative and qualitative disclosures about market risk	24
ITEM 12	Description of securities other than equity securities	24
12.A	Debt Securities	24
12.B	Warrants and Rights	25
12.C	Other Securities	25
12.D	American Depositary Shares	25
PART II		27
ITEM 13	Defaults, dividend arrearages and delinquencies	27
ITEM 14	Material modifications to the rights of security holders and use of proceeds	27
ITEM 15	Controls and procedures	27
15.A	Disclosure controls and procedures	27
15.B	Management's annual report on internal control over financial reporting	27
15.C	Report of independent registered public accounting firms	28
15.D	Changes in internal control over financial reporting	29
ITEM 16	[reserved]	29
ITEM 16A	Audit committee financial expert	29
ITEM 16B	Code of ethics	30
ITEM 16C	Principal accountant fees and services	30
ITEM 16D	Exemptions from listing standards for audit committees	30
ITEM 16E	Purchase of equity securities by the issuer and affiliated purchasers	30
ITEM 16F	Change in Registrant's Certifying Accountant	31
ITEM 16G	Corporate governance	31
ITEM 16H	Mine Safety Disclosure	32
PART III		33
ITEM 17	Financial statements	33
ITEM 18	Financial statements	33
ITEM 19	List of exhibits	34
Signature		35

PART I

ITEM 1 Identity of directors, senior management and advisers

Not applicable.

ITEM 2 Offer statistics and expected timetable

Not applicable.

ITEM 3 Key information

3.A SELECTED FINANCIAL DATA

The following table sets forth selected consolidated financial and other operating data of France Telecom. The selected financial data set forth below should be read in conjunction with the consolidated financial statements and Item 5 *Operating and Financial Review and Prospects* appearing elsewhere in this Form 20-F. France Telecom's consolidated financial statements were prepared in accordance with IFRS as published by the IASB for the years ended December 31, 2007, 2008, 2009, 2010 and 2011.

The selected financial information presented below as of and for the twelve month periods ended December 31, 2007, 2008, 2009, 2010 and 2011 is extracted or derived from the consolidated financial statements. The periods ended December 31, 2009, 2010 and 2011 are derived from audited consolidated financial statements included in the 2011 Registration Document and the periods ended December 31, 2007 and 2008 are derived from audited consolidated financial statements which are not included herein.

CONSOLIDATED INCOME STATEMENT

	in euros				
(million, except per share data)	2011	2010	2009	2008	2007
Revenues	45,277	45,503	44,845	46,712	46,568
Operating income/(loss)	7,948	7,562	7,650	9,754	10,540
Finance costs, net	(2,033)	(2,000)	(2,206)	(2,884)	(2,647)
Consolidated net income after tax of continuing operations	3,828	3,807	3,202	4,014	6,648
Consolidated net income after tax of discontinued operations	-	1,070	200	404	171
Net income attributable to owners of the parent	3,895	4,880	3,018	4,073	6,300

Net earnings per shares

Net income of continuing operations attributable to owners of France Telecom S.A.

Net earnings per share - basic	1.47 ⁽¹⁾	1.44 ⁽³⁾	1.06 ⁽³⁾	1.41 ⁽³⁾	2.36
	2011	2010	2009	2008	2007
Net earnings per share - diluted	1.46 ⁽²⁾	1.43 ⁽³⁾	1.06 ⁽³⁾	1.39 ⁽³⁾	2.30
Net income attributable to owners of France Telecom S.A.					
Net earnings per share - basic	1.47 ⁽¹⁾	1.84 ⁽³⁾	1.14 ⁽³⁾	1.56 ⁽³⁾	2.42
Net earnings per share - diluted	1.46 ⁽²⁾	1.82 ⁽³⁾	1.14 ⁽³⁾	1.54 ⁽³⁾	2.36

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	in euros				
(million)	2011	2010	2009	2008	2007
Intangible assets, net ⁽⁴⁾	38,683	40,335	37,750	43,923	47,465
Property, plant and equipment, net	23,634	24,756	23,547	25,826	27,849
Total assets	96,083	94,276	90,910	93,652	100,601
Net financial debt	30,890	31,840	32,534	35,424	37,980
Equity attributable to the owners of the parent	27,573	29,101	26,864	27,032	29,471

CONSOLIDATED STATEMENT OF CASH FLOWS

	in euros				
(million)	2011	2010	2009	2008	2007
Net cash provided by operating activities	12,879	12,588	14,003	14,743	14,644
Net cash used in investing activities	(6,308)	(5,951)	(5,397)	(7,167)	(6,881)
Purchases of property, plant and equipment and intangible assets	(6,711)	(6,102)	(5,454)	(6,657)	(7,064)
Net cash used in financing activities	(2,860)	(6,117)	(9,554)	(6,706)	(7,654)
Cash and cash equivalents at end of year	8,061	4,428	3,805	4,694	4,025

DIVIDEND

	2011	2010	2009	2008	2007
Dividend per share for the year (euros)	1.40 ⁽⁵⁾	1.40	1.40	1.40	1.30
Dividend per share for the year (dollars) ⁽⁶⁾	1.83	1.83	1.83	1.83	1.70

(1) The weighted average number of ordinary shares used for calculating basic earnings per share is 2,643,535,474.

(2) The weighted average number of ordinary shares used for calculating diluted earnings per share is 2,711,972,965.

(3) Earnings per share calculated on a comparable basis.

(4) Includes goodwill and the other intangible assets.

(5) Subject to approval by the shareholders' meeting of June 5, 2012.

(6) The U.S. dollar amounts presented in the table have been translated solely for the convenience of the reader using the Noon Buying Rate on April 6, 2012 of €0.764 to \$1.00.

OPERATIONAL DATA

	2011	2010	2009	2008	2007
Number of fixed telephone lines (in millions)	44.3	45.1	46.1	46.7	47.4
Number of mobile customers (in millions)	167.4	150.4	132.6	121.8	110
Number of broadband (mainly ADSL) customers (in millions)	14.4	13.7	13.5	12.7	11.7
Number of employees (workforce end of period)	171,949	168,694	164,651	169,692	187,331

Exchange rate information

Fluctuations in the exchange rate between the euro and the U.S. dollar will affect the U.S. dollar equivalent of the euro-denominated prices of the Shares and, as a result, will affect the market price of the ADSs in the United States. In addition, exchange rate fluctuations will affect the U.S. dollar equivalent of any cash dividend received by holders of ADSs.

The following table sets forth, for the periods and dates indicated, certain information concerning the Noon Buying Rate in New York City for cable transfers for foreign currencies as certified for customs purposes by the Federal Reserve Bank of New York expressed in U.S. dollars per €1.00, as published elsewhere. Such rates are provided solely for the convenience of the reader and are not necessarily the rates used by France Telecom in the preparation of the Consolidated Financial Statements included elsewhere in this Form 20-F. No representation is made that the euro could have been, or could be, converted into U.S. dollars at the rates indicated below or at any other rate. See Item 3.D *Risk factors*: “France Telecom’s results and cash position are exposed to exchange rate fluctuations”.

U.S. dollar per €1.00	Period end rate	Average rate ⁽¹⁾	High	Low
YEARLY AMOUNTS				
2007	1.4603	1.3797	1.4862	1.2904
2008	1.3919	1.4726	1.6010	1.2446
2009	1.4332	1.3935	1.5100	1.2547
2010	1.3269	1.3261	1.4536	1.1959
2011	1.2973	1.3931	1.4875	1.2926
MONTHLY AMOUNTS				
September 2011	1.3449	1.3747	1.4283	1.3446
October 2011	1.3947	1.3732	1.4172	1.3281
November 2011	1.3453	1.3558	1.3803	1.3244
December 2011	1.2973	1.3155	1.3487	1.2926
January 2012	1.3053	1.2910	1.3192	1.2682
February 2012	1.3359	1.3238	1.3463	1.3087
March 2012	1.3334	1.3208	1.3336	1.3025

(1) The average of the Noon Buying Rates on the last business day of each month during the relevant period for the full year average, and on each business day of the month for the monthly average.

On April 6, 2012, the Noon Buying Rate was \$1.3089 per one euro.

For information regarding the effects of currency fluctuations on France Telecom’s results, see Item 5 *Operating and Financial Review and Prospects*.

3.B CAPITALIZATION AND INDEBTEDNESS

Not applicable.

3.C REASONS FOR THE OFFER AND USE OF PROCEEDS

Not applicable.

3.D RISK FACTORS

The information set forth in section 4 *Risk factors* on pages 15 *et seq.* of the 2011 Registration Document is incorporated herein by reference.

The price of France Telecom’s ADSs and the U.S. dollar value of any dividend will be affected by fluctuations in the U.S. dollar/euro exchange rate.

The ADSs are quoted in U.S. dollars. Fluctuations in the exchange rate between the euro and the U.S. dollar are likely to affect the market price of the ADSs. For example, because France Telecom’s financial statements are reported in euro, a decline in the value of the euro against the U.S. dollar would reduce France Telecom’s earnings as reported in U.S. dollars. This could adversely affect the price at which the ADSs trade on the U.S. securities markets. Any dividend that France Telecom might pay in the future would be denominated in euro. A decline in the value of the euro against the U.S. dollar would reduce the U.S. dollar equivalent of any such dividend.

Holders of ADSs may face disadvantages compared to holders of France Telecom’s shares when attempting to exercise certain rights as shareholders.

Holders of ADSs may face more difficulties in exercising their rights as shareholders than they would if they held shares directly. For example, to exercise their voting rights, holders of ADSs must instruct the depositary how to vote their shares. Because of this extra procedural step involving the depositary, the process for exercising voting rights will take longer for holders of ADSs than for holders of shares. ADSs for which the depositary does not receive timely voting instructions will not be voted at any meeting.

Preemptive rights may be unavailable to holders of France Telecom’s ADSs.

Holders of France Telecom’s ADSs or U.S. resident shareholders may be unable to exercise preemptive rights granted to France Telecom’s shareholders, in which case holders of France Telecom’s ADSs could be substantially diluted. Under French law, whenever France Telecom issues new shares for payment in cash or in kind, France Telecom is usually required to grant preemptive rights to its share holders. However, holders of France Telecom’s ADSs or U.S. resident shareholders may not be able to exercise these preemptive rights to acquire shares unless both the rights and the Shares are registered under the Securities Act or an exemption from registration is available.

If the depositary is unable to sell rights that are not exercised or not distributed or if the sale is not lawful or reasonably practicable, it will allow the rights to lapse, in which case no value will be given for these rights.

Auditors in various non-U.S. jurisdictions, including France, are not inspected by the U.S. Public Company Accounting Oversight Board (“PCAOB”) and, as a result, there is a risk that quality improvements or deficiencies that could be identified by a PCAOB inspection will not be identified or addressed.

The independent registered public accounting firms that issue the audit reports included in this Annual Report on Form 20-F are required by the laws of the United States to undergo regular inspections,

including reviewing of work papers and interviews, by the PCAOB to assess their compliance with the laws of the United States and applicable professional standards. Because France Telecom's auditors are located in France, a jurisdiction where the PCAOB is currently unable to conduct inspections without the approval of the French authorities, France Telecom's auditors are not currently inspected by the PCAOB. France Telecom's auditors are, however, subject to regular inspections by the Haut Conseil du commissariat aux comptes, a comparable French regulatory body, that are similar in scope to the PCAOB inspections.

During its inspections, the PCAOB may identify deficiencies in an accounting firm's audit procedures and quality control procedures, which may be addressed as part of the inspection process to improve future audit quality. Since the PCAOB cannot conduct inspections in France, the PCAOB is prevented from regularly evaluating our auditors' audits and quality control procedures. As a result, investors in France Telecom securities may be deprived of any benefits that would have been realized as a result of PCAOB inspections and, depending on the circumstances, investors in France Telecom securities could lose confidence in France Telecom's control procedures, financial statements or, more generally, in the quality of its reported financial information.

ITEM 4 Information on France Telecom

4.A HISTORY AND DEVELOPMENT OF FRANCE TELECOM

See Item 18 *Financial Statements* – Note 2 to the consolidated financial statements.

The information set forth in section 5.1. *History and evolution of the Company* on pages 27 and 28 of the 2011 Registration Document is incorporated herein by reference.

Agent in the United States: France Telecom Participations U.S. Inc., 13375 McLearen Road, Oak Hill, Virginia 20171

4.B BUSINESS OVERVIEW

The information set forth under:

- Section 6 *Overview of the Group's business* on pages 29 *et seq.*,
- The *Glossary of technical terms* on pages 598 *et seq.*,

of the 2011 Registration Document is incorporated herein by reference.

Seasonality

In general, France Telecom's business operations are not affected by any major seasonal variations. However, the telephone traffic generated from fixed line telephony over the Northern Hemisphere summer months in the third quarter (ended September 30) is generally lower than in the other quarters.

Furthermore, in the personal communication services markets, the number of new mobile customers for telecommunications services is generally higher in the second half of the calendar year than in the first half, primarily because of the increase in sales during the Christmas season. Consequently, revenues generated from the sale of equipment and packages, as well as the costs incurred in ordering equipment

for customers and sales commissions, are higher in the second half of the calendar year than in the first half.

4.C ORGANIZATIONAL STRUCTURE

The information set forth in section 7 *Organizational chart* on page 169 of the 2011 Registration Document is incorporated herein by reference.

4.D PROPERTY, PLANT AND EQUIPMENT

The information set forth under:

- Section 8 *Property, plant and equipment* on pages 171 *et seq.*,
- subsection *Investment in networks* of section 9.1.1.4 *Significant events*, on pages 197 and 198,
- and section 17.4 *Environmental information*, on pages 358 *et seq.*,

of the 2011 Registration Document is incorporated herein by reference.

ITEM 4A Unresolved staff comments

None.

ITEM 5 Operating and financial review and prospects

There are no differences between IFRS as adopted in the European Union and IFRS as issued by the IASB, as applied by France Telecom.

References in this Item to the Notes to the consolidated financial statements are references to the consolidated financial statements presented in Item 18 *Financial Statements* of this document.

5.A OPERATING RESULTS

This section sets forth:

- an overview of the operating results of the Group, incorporated by reference to (i) the introduction to section 9.1 *Analysis of the Group's financial position and earnings* and (ii) section 9.1.1 *Overview*, on pages 194 *et seq.* of the 2011 Registration Document;
- a presentation of critical accounting policies set forth below;
- a comparative analysis of the Group income statement and capital expenditures (and related financial information) and a comparative analysis by business segment for 2011, 2010 and 2009 incorporated by reference to sections 9.1.2 *Analysis of the Group's income statement and capital expenditures* and 9.1.3 *Analysis by operating segment*, respectively on pages 203 *et seq.* and 222 *et seq.* of the 2011 Registration Document;

In this Annual Report on Form 20-F, including in the foregoing sections that are incorporated by reference herein, France Telecom sets forth certain financial aggregates that are not defined under IFRS, in addition to the financial aggregates that are in accordance with IFRS. Accordingly, the information set forth in section 9.1.5.4 *Financial aggregates not defined by IFRS* on pages 273 *et seq.* of the 2011 Registration Document is incorporated herein by reference. The financial aggregates not defined under IFRS are provided as additional information and should not be substituted for or confused with the financial aggregates that are defined under IFRS.

In addition, the information set forth in (i) section 9.1.5.1 *Transition from data on a historical basis to data on a comparable basis* on pages 263 *et seq.* of the 2011 Registration Document; (ii) section 9.1.5.2 *Additional information by operating segment* on pages 268 *et seq.*, (iii) Item 18 *Financial Statements - Note 1* to the consolidated financial statements; and (iv) the *Financial glossary* set forth in appendix on pages 605 *et seq.* of the 2011 Registration Document is incorporated by reference herein.

Critical accounting policies

The information set forth under section 20.1.3 *Critical accounting policies* on pages 501 *et seq.* of the 2011 Registration Document is incorporated herein by reference.

5.B LIQUIDITY AND CAPITAL RESOURCES

This section presents, for the France Telecom group:

- i) a comparative analysis of liquidity and cash flows, with a presentation of the net cash provided by operating activities, of the net cash used in investing activities and of the net cash used in financing activities,
- ii) a presentation of the Group's shareholders' equity, and
- iii) a discussion on the Group's financial debt and financial resources,

incorporated herein by reference to section 9.1.4 *Cash flow, shareholders' equity and financial debt*, on pages 253 *et seq.* of the 2011 Registration Document.

See also Item 18 *Financial Statements* – Notes 10 and 11 to the consolidated financial statements.

5.C RESEARCH AND DEVELOPMENT, PATENTS AND LICENSES, ETC.

The information set forth in section 11 *Innovation, research and development, patents and licenses* on pages 287 *et seq.* of the 2011 Registration Document is incorporated herein by reference.

5.D TREND INFORMATION

The information set forth under:

- Section 9.1 *Analysis of the Group's financial position and earnings* on pages 194 *et seq.*,
- Section 6.1 *The telecommunications services market*, on pages 30 *et seq.*,
- Section 6.2 *France Telecom-Orange strategy*, on pages 33 *et seq.*,
- Section 4 *Risk factors*, on pages 15 *et seq.*,

of the 2011 Registration Document is incorporated herein by reference.

5.E OFF-BALANCE SHEET ARRANGEMENTS

See Item 18 *Financial Statements* – Note 14 to the consolidated financial statements.

5.F TABULAR DISCLOSURE OF CONTRACTUAL OBLIGATIONS

See Item 18 *Financial Statements* – Notes 11.3 and 14 to the consolidated financial statements.

5.G SAFE HARBOR

Not applicable.

ITEM 6 Directors, senior management and employees

6.A DIRECTORS AND SENIOR MANAGEMENT

The information set forth in section 14 *Administrative and management bodies and senior management* on pages 295 *et seq.* of the 2011 Registration Document is incorporated herein by reference.

6.B COMPENSATION

The information set forth in sections 15 *Compensation and benefits paid to directors, corporate officers and senior management* on pages 311 *et seq.* and 17.2.4 *Compensation* on pages 346 *et seq.* of the 2011 Registration Document is incorporated herein by reference.

6.C BOARD PRACTICES

The information set forth under:

- Section 14.1.1 *Composition of the Board of Directors*, on pages 296 *et seq.*,
- Section 15.1 *Rules for determining the compensation of directors and corporate officers*, on pages 312 *et seq.*,
- Section 15.2.1.3 *Tables summarizing other benefits granted to the Corporate Officers*, on page 316,
- Section 15.3 *Executive Committee compensation in 2011*, on page 318,
- Section 16.1.1 *Reference to a Code of Corporate Governance*, on page 320,
- Section 16.2 *Operation of the Board of Directors*, on page 321 *et seq.*,

- Section 16.3 *Operation of the General Management*, on page 324 *et seq.*,
- Section 16.4 *Internal Control and Risk Management*, on page 326 *et seq.*,

of the 2011 Registration Document is incorporated herein by reference.

6.D EMPLOYEES

The information set forth in sections 17.2.1 *Employment*, on pages 338 *et seq.*, 17.2.2 *Work Organization*, on pages 344 *et seq.*, and 17.2.3 *Social dialogue*, on pages 345 *et seq.* of the 2011 Registration Document is incorporated herein by reference.

6.E SHARE OWNERSHIP

The information set forth under:

- Section 14.1.3.2 *Information on Company shares held by directors and corporate officers*, on pages 306 *et seq.*,
- Section 14.2.2 *Shareholdings and stock-options*, on page 310 (with respect to the Executive Committee),
- Section 15.2.1 *Compensation paid to corporate officers*, on page 314,
- Section 15.3 *Executive Committee compensation in 2011*, on page 318,
- Section 17.2.4 *Compensation*, on pages 346 *et seq.* (with respect to employees),

of the 2011 Registration Document is incorporated herein by reference.

ITEM 7 Major shareholders and related party transactions

7.A MAJOR SHAREHOLDERS

The information set forth in section 18 *Major shareholders*, on pages 365 *et seq.* of the 2011 Registration Document is incorporated herein by reference.

Securities held and number of record holders in the United States

As of March 20, 2012, there were 87,116,043 ADSs of France Telecom outstanding and 157 holders of record were registered with The Bank of New York Mellon, depository for the ADS program.

As of March 21, 2012, 36 United States residents were registered as owners of France Telecom's shares with BNP Paribas Securities Services, provider of securities services for France Telecom. Those U.S. residents held 10,924 France Telecom shares.

Based on a Euroclear Identifiable-Bearer Securities (*Titres au porteur identifiable*) service report and on a survey conducted by a specialized information provider, France Telecom estimates that U.S. corporate and institutional investors held approximately 14.6 % of its share capital as at December 31, 2011.

7.B RELATED PARTY TRANSACTIONS

See Item 18 *Financial Statements* – Note 9.2 to the consolidated financial statements.

The information set forth in section 19 *Transactions with parent companies*, on page 369 of the 2011 Registration Document is incorporated herein by reference.

7.C INTERESTS OF EXPERTS AND COUNSELS

Not applicable

ITEM 8 Financial information

8.A CONSOLIDATED STATEMENTS AND OTHER FINANCIAL INFORMATION

See Item 18 *Financial Statements*.

The information set forth in sections 20.3 *Dividend distribution policy*, and 20.4 *Litigation and arbitration proceedings*, on page 554 of the 2011 Registration Document is incorporated herein by reference.

8.B SIGNIFICANT CHANGES

On April 12, 2012, France Telecom-Orange (FT) and Orascom Telecom Media and Technology Holding S.A.E. (OTMT) announced that they agreed on new terms for their continued partnership in Egyptian Company for Mobile Services (ECMS), which is listed on the Egyptian Exchange (EGX). FT and OTMT currently hold 51.03% of the capital and voting rights of ECMS through MobiNil for Telecommunications S.A.E. (MobiNil). In addition, OTMT holds 20% directly and the remaining 29% of ECMS's share capital is held by the public.

As part of the agreements, on April 12, 2012, MT Telecom filed an application to launch a mandatory tender offer to purchase up to 100% of the shares of ECMS with the Egyptian Financial Supervisory Authority (EFSA) at a price per share of EGP 202.5. OTMT has agreed to sell its 15% stake in ECMS as part of the planned offer. The offer remains subject to approval by the EFSA.

Pursuant to the new agreements, following the settlement of the offer, OTMT will decrease its direct shareholding in ECMS from 20% to 5% and a new holding company, MT Telecom, would hold up to 95% of the outstanding equity of ECMS after the proposed transactions, assuming EFSA approvals and 100% of the free float is tendered in the offer. MobiNil, the company that is currently owned by OTMT and FT (28.75% and 71.25% respectively), would be 100% owned by FT once the transactions are completed.

MobiNil will also tender its entire shareholding in ECMS in the offer, thereby reducing its ECMS holding to zero. FT will also purchase OTMT's 28.75% stake in MobiNil. Based on current exchange rates, FT's estimated total investment in ECMS as a result of the proposed transactions is 1.5 billion euros (which may be increased as a result of the exercise of the put and call options described below by up to approximately 185 million euros).

Following successful completion of the planned offer, OTMT would remain FT's strategic partner in Egypt through MT Telecom, in which it would hold 28.75% of the voting rights, with FT holding the remaining 71.25%. OTMT would continue to be represented on the board of directors and participate in the management of ECMS through an amended and restated shareholders' agreement reflecting this new structure and its general services agreement. The parties have agreed to a revised set of put and call options with respect to OTMT's remaining stakes in ECMS and MT Telecom, with a maximum exercise price of EGP 296 per share for shares sold pursuant to the put or call options in 2017.

Furthermore, the information set forth in section 20.5 *Significant change in financial or trading position*, on page 554 of the 2011 Registration Document is incorporated herein by reference.

ITEM 9 The offer and listing

9.A OFFER AND LISTING DETAILS

For information regarding risks related to France Telecom's shares and ADSs, see Item 3.D *Risk Factors*: "France Telecom's share price may fluctuate due to a wide range of factors". "The price of France Telecom's ADSs and the U.S. dollar value of any dividend will be affected by fluctuations in the U.S. dollar / euro exchange rate". "Holders of ADSs may face disadvantages compared to holders of France Telecom's shares when attempting to exercise voting rights" and "Preemptive rights may be unavailable to holders of France Telecom's ADSs".

Trading history of France Telecom's securities listed on the New York Stock Exchange (NYSE)

France Telecom's share is traded on compartment A (large capitalizations) of Euronext Paris (ticker : FTE.PA and International Security Identification Number : FR0000133308) and in the form of ADS on the NYSE (ticker : FTE and CUSIP : 35177Q10).

The table below shows the annual high and low prices, unadjusted for dividends, for France Telecom's shares on Euronext Paris and France Telecom's ADSs on the NYSE from 2007 to 2011.

	Euronext Paris		NYSE	
	€		US\$	
	High	Low	High	Low
2007	26.78	18.94	39.51	25.36
2008	25.87	16.94	38.42	22.57
2009	20.75	15.55	28.75	21.00
2010	17.83	14.15	25.91	17.31
2011	16.53	11.39	23.54	15.14

Source: Bloomberg

The table below shows the quarterly high and low prices, unadjusted for dividends, for France Telecom's shares on Euronext Paris and France Telecom's ADSs on the NYSE since January 1, 2010.

	Euronext Paris		NYSE	
	€		US\$	
	High	Low	High	Low
First Quarter 2010	17.83	16.23	25.91	22.50
Second Quarter 2010	17,82	14,29 24,20		17,31
Third Quarter 2010	16,55	14,15 21,84		17,80
Fourth Quarter 2010	17,36	15,60 24,47		20,41
First Quarter 2011	16,53	14,74 22,62		20,31
Second Quarter 2011	15,90	14,19 23,54		20,12
Third Quarter 2011	14,66	11,39 21,33		15,52
Fourth Quarter 2011	13,59	11,58 19,34		15,14
First Quarter 2012	12,36	11,01 16,08		14,51

Source: Bloomberg

The table below shows the monthly high and low prices (unadjusted for payment of dividends) for France Telecom's shares on Euronext Paris and France Telecom's ADSs on the NYSE for the most recent six months.

	Euronext Paris		NYSE	
	€		US\$	
	High	Low	High	Low
October 2011	13,59	12,03 19,34		15,80
November 2011	12,84	11,58 17,82		15,37
December 2011	12,70	11,72 17,02		15,14
January 2012	12,36	11,20 16,08		14,68
February 2012	11,73	11,25 15,87		14,75
March 2012	11,62	11,01 15,45		14,51

Source: Bloomberg

9.B PLAN OF DISTRIBUTION

Not applicable

9.C MARKETS

The principal trading market for the Shares is Euronext Paris, where the Shares have been traded since October 20, 1997. Prior to that date, there was no public trading market for the Shares. The shares are included in the "CAC 40 Index" (a main benchmark index of 40 major stocks listed on Euronext Paris). The shares in the form of American Depositary Shares ("ADSs") are also listed on the NYSE. BNP Paribas holds the share registry for France Telecom and The Bank of New York Mellon acts as depository for the ADSs.

9.D SELLING SHAREHOLDERS

Not applicable

9.E DILUTION

Not applicable

9.F EXPENSES OF THE ISSUE

Not applicable

ITEM 10 Additional information

10.A SHARE CAPITAL

Not applicable.

10.B MEMORANDUM OF ASSOCIATION AND BYLAWS

The information set forth under:

- Section 14.1.3.2.3 *Restrictions regarding the sale of shares by the directors and corporate officers*, on page 306,
- Section 16.2.2 *Chairman of the Board of Directors*, on page 321,
- Section 21.2 *Memorandum and bylaws*, on pages 558 *et seq.*,
- Section 21.3 *Factors that may have an effect in the event of a public offering*, on page 561,

of the 2011 Registration Document is incorporated herein by reference.

Ownership of shares by non-French persons

Under the French Commercial Code, there is no limitation on the right of non-residents or non-French shareholders to own or, where applicable, to vote securities of a French company.

Under the French Monetary and Financial Code, a person who is not a resident of the European Union ("EU") is not required to obtain a prior authorization before acquiring a controlling interest in a French company with the exception of investments in certain sensitive economic areas, such as defense and public health. However, both EU and non-EU residents must file an administrative notice (*déclaration administrative*) with French authorities in connection with the acquisition of 33 1/3 % or more of the capital or voting rights of a French company. Violations of this administrative notice requirement are sanctioned by a fine of 750 euros. This amount may be multiplied by five if the violation is made by a legal entity.

10.C MATERIAL CONTRACTS

The information set forth in section 22 *Material contracts*, on page 563 of the 2011 Registration Document is incorporated herein by reference.

10.D EXCHANGE CONTROLS

Under current French exchange control regulations, there are no limitations on the amount of payments that may be remitted by France Telecom to non-residents of France. Laws and regulations concerning foreign exchange controls do require, however, that all payments or transfers of funds made by a French resident to a non-resident, such as dividends payments, be handled by an authorized intermediary. In France, all registered banks and substantially all credit establishments are accredited intermediaries.

Neither the French Commercial Code nor France Telecom's bylaws presently impose any restrictions on the ability of non-French holders to hold or vote the Shares.

10.E TAXATION

The discussions set forth in this section are based on French tax law and U.S. federal income tax law, including applicable treaties and conventions, as in effect on the date of this annual report. These Tax laws, and related interpretations, are subject to change, possibly with retroactive effect. This section is further based in part on representations of the depositary and assumes that each obligation in the deposit agreement and any related agreement will be performed in accordance with its terms.

10.E.1 French Taxation

The following is a general summary of the material French tax consequences of owning and disposing of the Shares or ADSs of France Telecom. This summary may only be relevant to you if you are not a resident of France (as defined in Section 4 B of the French General Tax Code), no double tax treaty between France and your country contains a provision under which dividends or capital gains are expressly liable to French tax (see Section 4 bis of the French General Tax Code) and you do not hold your Shares or ADSs in connection with a permanent establishment or a fixed base in France through which you carry on a business or perform personal services.

This discussion is intended only as a descriptive summary. It does not address all aspects of French tax laws that may be relevant to you in light of your particular circumstances.

If you are considering buying Shares or ADSs of France Telecom, you should consult your own tax advisor about the potential tax effects of owning or disposing of Shares or ADSs in your particular situation.

France has recently introduced a comprehensive set of new tax rules applicable to French assets (such as the Shares/ADSs) that are held by or in foreign trusts. These rules provide notably for the inclusion of trust assets in the settlor's net assets for purpose of applying the French wealth tax, for the application of French gift and death duties to French assets held in trust, for a specific tax on capital on the French assets of foreign trusts not already subject to the French wealth tax and for a number of French tax reporting and disclosure obligations. The following discussion does not address the French tax consequences applicable to Shares and ADSs held in trusts.

Taxation on sale or disposal of Shares and ADSs

Generally, you will not be subject to any French income tax or capital gains tax when you sell or dispose of Shares or ADSs of France Telecom if all of the following apply to you:

- you are not a French resident for French tax purposes;
- you have not held more than 25% of France Telecom's dividend rights, known as "droits aux bénéfices sociaux", at any time during the preceding five years, either directly or indirectly, and, as relates to individuals, alone or with relatives; and
- you have not transferred the Shares/ADSs as part of a redemption or repurchase by France Telecom, in which case the proceeds may under certain circumstances be partially or fully characterized as dividends under French domestic law and, as a result, be subject to French dividend withholding tax.

unless you are established or domiciled in a jurisdiction listed as a non-cooperative state or territory (état ou territoire non coopératif) within the meaning of Article 238-0 A of the French General Tax Code (a "Non-Cooperative State"), in which case you will be subject to a 50% tax on capital gain. The list of Non-Cooperative States is published by ministerial executive order and is updated on a yearly basis.

If an applicable double tax treaty between France and your country contains more favorable provisions, you may not be subject to any French income tax or capital gains tax when you sell or dispose of any Shares or ADSs of France Telecom even if one or more of the above statements do not apply to you.

If you are a resident of the United States who is eligible for the benefits of the income tax treaty between the United States of America and France dated August 31, 1994 (as further amended) (the "U.S. France Treaty"), you will not be subject to French tax on any capital gain if you sell or exchange your Shares or ADSs unless you have a permanent establishment or fixed base in France and the Shares or ADSs sold or exchanged were part of the business property of that permanent establishment or fixed base.

Special rules apply to individuals who are residents of more than one country.

Subject to specific conditions, foreign states, international organizations and a number of foreign public bodies are not considered French residents for these purposes.

Transfers of shares issued by a listed French company such as France Telecom will not be subject to French registration or stamp duty if such transfers are not evidenced by a written purchase and sale agreement (*acte*). However, if the transfer is evidenced by a written purchase and sale agreement executed either in France or outside of France, the transfer of Shares or ADSs will be subject to transfer duty at (i) 3% for the portion of the sale price below €200,000, (ii) 0.5% for the portion of the sale price between €200,000 and €500,000, and (iii) 0.25% for the portion of the sale price exceeding €500,000.

Pursuant to law 2012-354 dated March 14, 2012, the transfer duty rate is scheduled to be reduced as from August 1, 2012, to 0.1% as from the first euro with no cap. If the transaction falls in the scope of the new tax on financial transactions provided for by article 235 ter ZD of the French General Tax Code, the transfer duty does not apply.

Article 235 ter ZD of the French General Tax Code provides that as from August 1, 2012, the acquisition for consideration of shares or equivalent instruments issued by a company whose registered office is located in France and whose market capitalization exceeds € 1 billion on the January 1 preceding the taxable event, is subject to a 0.1% financial transactions duty. Such new rules have not yet been interpreted by the French tax authorities and it is uncertain at this stage whether ADSs are in the scope of Article 235 ter ZD. If you are considering buying ADSs of France Telecom, you should consult your own tax advisor about the potential tax effects of owning or disposing of ADS in your particular situation.

Taxation of dividends

Under French domestic law, French companies must generally deduct a 30 % French withholding tax from dividends (including distributions from share capital premium, insofar as the company has distributable reserves, or the relevant portion of certain repurchase or redemption by France Telecom of its own shares) paid to non-residents (21% for distributions made to individuals that are resident in the

European Economic Area). Under most tax treaties between France and other countries, the rate of this withholding tax may be reduced in specific circumstances. Generally, a holder who is a non-French resident is subsequently entitled to a tax credit in his or her country of residence for the amount of tax actually withheld at the appropriate treaty rate.

However, dividends paid or deemed to be paid by a French corporation, such as France Telecom, towards non-cooperative States or territories, as defined in Article 238-0 A of the French General Tax Code, will generally be subject to French withholding tax at a rate of 55 %, irrespective of the tax residence of the beneficiary of the dividends if the dividends are received or deemed to be received in such States or territories (subject to the more favorable provisions of an applicable double tax treaty).

Under some tax treaties, a shareholder who fulfills specific conditions may generally apply to the French tax authorities for a lower rate of withholding tax, generally 15%. Under some tax treaties, the withholding tax is eliminated altogether.

If the arrangements provided for by any of such treaties apply to a shareholder, France Telecom or the authorized intermediary will withhold tax from the dividend at the lower rate, provided that the shareholder complies, before the date of payment of the dividend, with the applicable filing formalities. Otherwise, France Telecom or the authorized intermediary must withhold tax at the full rate of 21% or 30% or 55% as applicable, and the shareholder may subsequently claim the refund of excess tax paid.

If you are a resident of the United States who is eligible for the benefits of the U.S. France Treaty, French dividend withholding tax is reduced to 15% if your ownership of the Shares or ADSs is not effectively connected with a permanent establishment or a fixed base that you have in France and certain other requirements are satisfied. In particular, you will have to comply with the formalities set out in Section 10.5.3 "Procedure for Reduced Withholding Rate". If you fail to comply with such formalities before the date of payment of the dividend, France Telecom or the authorized intermediary shall deduct French withholding tax at the rate of 21% or 30% or 55% as applicable. In that case, you may claim a refund from the French tax authorities of the excess withholding tax.

Certain tax exempt U.S. entities (such as tax-exempt U.S. pension funds, which include the exempt pension funds established and managed in order to pay retirement benefits subject to the provisions of Section 401(a) of the Internal Revenue Code (qualified retirement plans), Section 403(b) of the Internal Revenue Code (tax deferred annuity contracts) or Section 457 of the Internal Revenue Code (deferred compensation plans), and various other tax-exempt entities, including certain state-owned institutions, not-for-profit organizations and individuals with respect to dividends which they beneficially own and which are derived from an investment retirement account) may be eligible for the reduced withholding tax rate of 15% on dividends. Specific rules apply to them as further described below in Section 10.5.3 "Procedure for Reduced Withholding Rate".

Estate and Gift Tax

France imposes estate and gift tax where an individual or entity acquires shares of a French company from a non-resident of France by way of inheritance or gift. France has entered into estate and gift tax treaties with a number of countries. Under these treaties, the transfer by residents of those countries of shares of a French company by way of inheritance or gift may be exempt from French inheritance or gift tax or give rise to a tax credit in such countries, assuming specific conditions are met.

Under the "Convention Between the United States of America and the French Republic for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Estates, Inheritance and Gifts of November 24, 1978" (as further amended), French estate and gift tax generally will not apply to the individual or entity acquiring your Shares or ADSs if that individual or entity as well as you are residents of the United States and if you transfer your Shares or ADSs by gift, or they are transferred by reason of your death, unless you are domiciled in France at the time of making the gift of the Shares or ADSs or at the time of your death, or you used the Shares or ADSs in conducting a business through a permanent establishment or fixed base in France, or you held the Shares or ADSs for that use.

You should consult your own tax advisor about whether French estate and gift tax will apply and whether an exemption or tax credit can be claimed.

Wealth Tax

You will not be subject to French wealth tax, known as *impôt de solidarité sur la fortune*, on your Shares or ADSs of France Telecom if both of the following apply to you:

- you are not a French resident for the purpose of French taxation; and
- you own, either directly or indirectly, less than 10% of France Telecom capital stock, provided your Shares or ADSs do not enable you to exercise influence on France Telecom.

If a double tax treaty between France and your country contains more favorable provisions, you may not be subject to French wealth tax even if one or both of the above statements do not apply to you.

The French wealth tax generally does not apply to Shares or ADSs if you are a resident of the United States for purposes of the U.S. France Treaty provided that you do not own directly or indirectly Shares or ADSs exceeding 25% of the financial rights of France Telecom.

10.E.2 U.S. Taxation of U.S. Holders

The following discussion is a general summary of certain U.S. federal income tax considerations relevant to the ownership and disposition of France Telecom Shares and ADSs. The discussion is not a complete description of all tax considerations that may be relevant to you, and it does not consider your particular circumstances. It applies to you only if you are a U.S. Holder, you hold the Shares or ADSs as capital assets, you use the U.S. dollar as your functional currency and you are eligible for the benefits of the U.S. France Treaty. It does not address the tax treatment of investors subject to special rules, such as banks, tax-exempt entities, insurance companies, dealers, traders in securities that elect to mark to market, U.S. expatriates or persons who directly, indirectly or constructively own 10% or more of the Shares or ADSs, have a permanent establishment in France or hold Shares or ADSs as part of a straddle, hedging, conversion or other integrated transaction.

In compliance with U.S. Treasury Department Circular 230, we notify you that this advice was written to support the promotion and marketing of the Shares and ADSs. As a result you cannot rely on the statements herein to avoid U.S. tax penalties. You should seek advice from an independent tax advisor about the tax consequences under your own particular circumstances of investing in the Shares or ADSs under the laws of France, the United States and its constituent jurisdictions, and any other jurisdictions where you may be subject to tax.

U.S. Partnerships

A U.S. partnership generally can claim benefits under the U.S. France Treaty only to the extent its income is taxable in the United States as the income of a resident, either in the hands of such partnership or in the hands of its partners. The French tax authorities have however conceded that the benefits of the U.S. France Treaty may still be claimed if one or several members of the U.S. partnership are themselves U.S. partnerships (and up to six tiers of interposed partnerships) to the extent of the income taxable in the United States as the income of a resident in the hands of the ultimate partner or partners.

Specific rules apply to U.S. partnerships and their partners. Partnerships and their partners should consult their tax advisors concerning the French tax consequences of the acquisition, ownership and disposition of the Shares or ADSs.

As used here, a "U.S. Holder" means a beneficial owner of the Shares or ADSs, that is, for U.S. federal income tax purposes (i) an individual citizen or resident of the United States, (ii) a corporation or other business entity taxed as a corporation that is created or organized under the laws of the United States or

its political subdivisions, (iii) an estate the income of which is subject to U.S. federal income tax without regard to its source or (iv) a trust subject to the primary supervision of a U.S. court and the control of one or more U.S. persons or that has elected to be treated as a domestic trust.

The U.S. federal income tax treatment of a partner in a partnership that holds Shares or ADSs will depend on the status of the partner and the activities of the partnership. Partnerships should consult their tax advisors concerning the U.S. federal income tax consequences of the acquisition, ownership and disposition of the Shares or ADSs.

U.S. Holders of ADSs generally will be treated for U.S. federal income tax purposes as owners of the shares underlying the ADSs.

France Telecom believes, and this discussion assumes, that France Telecom is not and will not become a passive foreign investment company ("PFIC") for U.S. federal income tax purposes.

Dividends

Distributions on France Telecom Shares and ADSs, including French tax withheld and the gross amount of any payment on account of a French tax credit, will be includable in income as dividends from foreign sources when actually or constructively received. The dividends will not be eligible for the dividends received deduction generally allowed to U.S. corporations. The dividends received prior to January 1, 2013 by non-corporate U.S. Holders, however, will be taxed as qualified dividends, at the same preferential rate allowed for long-term capital gains, because the ADSs are readily tradable on the NYSE.

The U.S. dollar amount of a dividend received on the Shares or ADSs will be based on the exchange rate for the currency received (if the dividend is paid in a currency other than U.S. dollars) on the date you recognize the dividend for U.S. federal income tax purposes, whether or not you convert the payment into U.S. dollars. You will have a basis in the currency received equal to the U.S. dollar amount of the dividend you realized. Any gain or loss on a subsequent conversion or other disposition of the currency generally will be ordinary income or loss from U.S. sources.

Subject to generally applicable limitations, you may claim a deduction or a foreign tax credit for tax withheld at the lowest withholding rate to which you are entitled. In computing foreign tax credit limitations, noncorporate U.S. Holders eligible for the preferential tax rate applicable to qualified dividend income may take into account only the portion of the dividend effectively taxed at the highest applicable marginal rate. You should consult your own tax adviser about your eligibility for benefits under the U.S. France Treaty including a reduced rate of French withholding tax and for applicable limitations on claiming a deduction or foreign tax credit for any French tax withheld.

Dispositions

You will recognize gain or loss on disposition of France Telecom Shares or ADSs in an amount equal to the difference between the amount you realized and your adjusted tax basis in the Shares or ADSs. Your adjusted tax basis in a share or ADS will generally be the amount you paid for it measured in U.S. dollars. The U.S. dollar cost of a share or ADS purchased with foreign currency will generally be the U.S. dollar value of the purchase price. The gain or loss generally will be from sources within the United States. The gain or loss will be long-term capital gain or loss if the holder held the shares or ADSs for at least one year. Long term capital gains realized prior to January 1, 2013 by non-corporate U.S. Holders qualify for preferential tax rates as low as 15%. Deductions for capital losses are subject to limitations.

If you receive a currency other than U.S. dollars upon disposition of the Shares or ADSs, you will realize an amount equal to the U.S. dollar value of the currency received on the date of disposition (or, if you are a cash-basis or electing accrual basis taxpayer, the settlement date). You will have a tax basis in the currency received equal to the U.S. dollar amount you realized. Any gain or loss on a subsequent conversion or disposition of the currency received generally will be U.S. source ordinary income or loss.

Deposits or withdrawals of shares in exchange for ADSs will not be taxable transactions subject to U.S. federal income tax.

U.S. Information Reporting and Backup Withholding for U.S. Holders

Your dividends on the Shares or ADSs and proceeds from the sale or other disposition of the Shares or ADSs may be reported to the U.S. Internal Revenue Service unless you are a corporation or you otherwise establish a basis for exemption. Backup withholding tax may apply to amounts subject to reporting if you fail to provide an accurate taxpayer identification number or otherwise establish a basis for exemption. You can claim a credit against your U.S. federal income tax liability for amounts withheld under the backup withholding rules and a refund for any excess.

Under recent legislation, certain U.S. Holders will be required to report information with respect to Shares and ADSs that are held through foreign accounts. U.S. Holders who fail to report information required under these rules could become subject to substantial penalties. U.S. Holders are urged to consult their tax advisors regarding these and other reporting requirements that may apply with respect to their Shares or ADSs.

10.E.3 Procedure for reduced withholding rate

If you are eligible for benefits under the U.S. France Treaty, you will be entitled to reduce the rate of French withholding tax on dividends by filing the applicable form(s) with the depositary or other financial institution managing your securities account in the United States, or failing that, the French paying agent, if the financial institution managing your securities account or the French paying agent receives the form(s) before the date of payment of the dividend. If you fail to submit the applicable form(s) in time to avoid withholding, you may claim a refund for the amount withheld in excess of the U.S. France Treaty rate.

In order to have taxes on dividends withheld at the reduced amount, you generally must provide the depositary, or other financial institution managing your securities account in the United States, with a certificate of residence before the dividend is paid. If this certificate is not stamped by the U.S. Internal Revenue Service, the depositary or other financial institution managing your securities account in the U.S. must provide the French paying agent with a document listing certain information about the U.S. Holder and its shares or ADSs and a certificate whereby the financial institution managing your securities account in the United States takes full responsibility for the accuracy of the information provided in the document.

Tax exempt U.S. pension funds, charities or other tax exempt organizations must also provide a certificate from the U.S. Internal Revenue Service setting out that they have been created and operate in compliance with the Internal Revenue Code of 1986, as amended. Tax exempt organizations may obtain this certification by filing a U.S. Internal Revenue Service Form 8802. Similar requirements apply to REITs, RICs and REMICs.

Collective trusts of pension funds may apply for the withholding tax reduction on behalf of their members if they provide a complete list of their members, the required certificate from the IRS for each member which is a tax exempt U.S. pension fund and a certificate setting out the dividend to which each tax exempt U.S. pension fund which is a member is entitled.

The relevant French forms will be provided by the depositary to all U.S. Holders of ADSs registered with the depositary and all U.S. Internal Revenue Service Forms are also available from the U.S. Internal Revenue Service. The depositary will arrange for the filing with the French paying agent and the French tax authorities of all forms completed by U.S. Holders of ADSs that are returned to the depositary in sufficient time.

You should consult your own independent tax advisors about the availability and applicability of the reduced rate of French withholding tax.

10.F DIVIDENDS AND PAYING AGENTS

Not applicable.

10.G STATEMENT BY EXPERTS

Not applicable.

10.H DOCUMENTS ON DISPLAY

We are subject to the reporting requirements of the Exchange Act applicable to foreign private issuers. In connection with the Exchange Act, we file reports, including this Form 20-F, and other information with the Securities and Exchange Commission. Such reports and other information are available on the SEC's website at www.sec.gov, and may also be inspected and copied at prescribed rates at the public reference facilities maintained by the SEC at its Public Reference Room, 100 F Street, N.E., Washington, D.C. 20549.

All documents provided to shareholders as required by law may be consulted at France Telecom's registered offices at 6 Place d'Alleray, 75015 Paris, France.

In addition, the bylaws of France Telecom are available on France Telecom's website at www.orange.com.

France Telecom's consolidated financial statements for the past three years are also available on its website.

10.I SUBSIDIARY INFORMATION

Not applicable.

ITEM 11 Quantitative and qualitative disclosures about market risk

See Item 18 *Financial Statements* – Note 11 to the consolidated financial statements.

ITEM 12 Description of securities other than equity securities

12.A DEBT SECURITIES

Not applicable.

12.B WARRANTS AND RIGHTS

Not applicable.

12.C OTHER SECURITIES

Not applicable.

12.D AMERICAN DEPOSITARY SHARES

France Telecom's ADR facility is maintained by the Bank of New York Mellon ("the Depositary"). A copy of our form of Amended and Restated Deposit Agreement ("the Deposit Agreement") among the Depositary, owners and beneficial owners of ADSs evidenced by ADRs issued under the Deposit Agreement and France Telecom was filed with the SEC as an exhibit to the post effective amendment N°1 to our Form F-6 filed on March 26, 2008. Société Générale ("the Custodian") acts as agent of the Depositary for the purposes of this Deposit Agreement. For more complete information, including on holders' rights and obligations, holders should read the entire deposit agreement, as amended, and the ADR itself.

Fees and charges payable by a holder of ADSs

Under the Deposit Agreement, the Depositary collects fees for delivery and surrender of ADSs directly from investors depositing shares or surrendering ADSs for the purpose of withdrawal or from intermediaries acting for them. The Depositary collects fees for making distributions to investors by deducting those fees from the amounts distributed or by selling a portion of the distributable property to pay the fees.

The fees payable to the Depositary by investors are as follows:

Depositary actions:	Fee:
▪ Issuance of ADSs, including issuances resulting from a distribution of shares or rights or other property	\$5.00 (or less) per 100 ADSs (or portion of 100 ADSs)
▪ Cancellation of ADSs for the purpose of withdrawal, including if the Deposit Agreement terminates	\$5.00 (or less) per 100 ADSs (or portion of 100 ADSs)
▪ Any cash distribution to ADS registered holders	\$.02 (or less) per ADS
▪ Distribution of securities distributed to holders of deposited securities which are distributed by the Depositary to ADS registered holders	A fee equivalent to the fee that would be payable if securities distributed to holders of deposited securities had been shares and the shares had been deposited for issuance of ADSs
▪ Transfer and registration of shares on the Depositary's share register to or from the name of the Depositary or its agent when depositing or withdrawing shares	Registration or transfer fees

In addition, investors must, as necessary, reimburse the Depositary for :

- Taxes and other governmental charges the Depositary or the Custodian have to pay on any ADS or share underlying an ADS, for example, stock transfer taxes, stamp duty or withholding taxes
- Any charges incurred by the depositary or its agents for servicing the deposited securities
- Expenses of the Depositary for cable, telex and facsimile transmissions (when expressly provided in the Deposit Agreement)
- Expenses of the Depositary for converting foreign currency to U.S. dollars

Fees and payments made by the Depositary to the Issuer

The Depositary has agreed to reimburse the Company for expenses the Company incurs that are related to establishment and maintenance expenses of the ADR facility. The Depositary has agreed to reimburse the Company for its continuing annual stock exchange listing fees. The Depositary has also agreed to pay the standard out-of-pocket maintenance costs for the ADRs, which consist of the expenses of postage and envelopes for mailing annual and interim financial reports, printing and distributing dividend checks, electronic filing of U.S. Federal tax information, mailing required tax forms, stationery, postage, facsimile, and telephone calls. It has also agreed to reimburse the Company annually for certain investor relationship programs or special investor relations promotional activities. In certain instances, the Depositary has agreed to provide additional payments to the Company based on any applicable performance indicators relating to the ADR facility. The amount of reimbursement available to the Company is not necessarily tied to the amount of fees the Depositary collects from investors.

During the financial year ended December 31, 2011, a 0.6 million U.S. dollars payment was made by the Depositary to France Telecom.

Voting the Shares at shareholders' meetings

Pursuant to a deposit agreement signed with the Company, the Depositary shall, at the instruction of the Company, mail to owners of ADSs (the Owners):

- a notice of impending meetings,
- a statement that the Owners will be entitled, subject to any applicable provision of French law and the bylaws of the Company, to instruct the Depositary as to the exercise of the voting rights pertaining to the shares represented by the ADSs,
- copy or summary of any material provided by the Company,
- a voting instruction card,
- and a statement as to the manner in which such instructions may be given.

If no instruction is received by the Depositary, the latter shall deem the Owners, subject to certain conditions, to have instructed the Depositary to give a discretionary proxy to a person designated by the Company to vote the shares represented by the ADSs.

The Depositary will not charge any fee in connection with enabling the Owners to exercise their voting rights.

The Depositary and the Company may amend the voting procedures from time to time as they determine appropriate to comply with French or United States law or the bylaws of the Company.

Reports, Notices and Other Communications

On or before the first date on which the Company gives notice of any meeting of holders of Shares or of the taking of any action in respect of any cash or other distribution or the offering of any rights, the Company shall transmit to the Depositary a copy of the notice thereof. The Company will also arrange for the prompt transmittal to the Depositary of any other report and communication which is made generally available by the Company to holders of its Shares. The Company may arrange for the Depositary to mail copies of such notices, reports and communications to all Owners.

PART II

ITEM 13 Defaults, dividend arrearages and delinquencies

As of the date of this Form 20-F and to France Telecom's knowledge, there has been no material default in the payment of principal or interest or any other material default not cured within 30 days relating to indebtedness of France Telecom or any of its fully consolidated subsidiaries.

ITEM 14 Material modifications to the rights of security holders and use of proceeds

None.

ITEM 15 Controls and procedures

15.A DISCLOSURE CONTROLS AND PROCEDURES

In 2003, France Telecom created a Disclosure Committee whose mission is to ensure the accuracy, the compliance with applicable laws, regulations and recognized practices, the consistency and the quality of the financial information disclosed by France Telecom. The Disclosure Committee, operating under the authority of the Chief Executive Officer Delegate, reviews all financial information distributed by the Group, as well as related documents such as press releases, presentations to financial analysts and management reports. The Disclosure Committee is chaired, by delegation, by the Group Accounting Director and brings together the heads of the Legal, Internal Audit, Investor Relations and Communication Departments.

France Telecom's Chief Executive Officer and Chief Executive Officer Delegate (in his capacity as Chief Financial Officer), after evaluating the effectiveness of the Group's disclosure controls and procedures (as defined by Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of December 31, 2011, have concluded that, as of such date, France Telecom's disclosure controls and procedures were effective. France Telecom's disclosure controls and procedures are designed to provide reasonable assurance that the information required to be disclosed in the reports filed or submitted under the Exchange Act is recorded, processed, summarized and reported within the specified time periods, and that such information is made known to the Chief Executive Officer and Chief Executive Officer Delegate in his capacity as Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

15.B MANAGEMENT'S ANNUAL REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

France Telecom's management is responsible for establishing and maintaining adequate internal control over financial reporting of France Telecom (as defined by Rules 13a-15(f) and 15d-15(f) under the Exchange Act).

France Telecom's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Generally Accepted Accounting Principles.

The Group's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Group; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with Generally Accepted Accounting Principles, and that receipts and expenditures of the Group are being made only in accordance with authorizations of management and directors; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Group's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal controls over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

The Group management conducted an evaluation of the effectiveness of internal control over financial reporting based on the framework presented in *Internal Control--Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

Based on this evaluation, management concluded that the Group's internal control over financial reporting was effective as of December 31, 2011. The effectiveness of the Group's internal control over financial reporting as of December 31, 2011 has been audited by Deloitte et Associés and Ernst & Young Audit, independent registered public accounting firms, as stated in their report which is included herein.

15.C REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRMS

To the Board of Directors and Shareholders of France Telecom:

We have audited France Telecom and subsidiaries (the "Group") internal control over financial reporting as at December 31, 2011, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (the "COSO criteria"). The Group's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's Annual Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Group's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the

assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of the inherent limitations of internal control over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may not be prevented or detected on a timely basis. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, the Group maintained, in all material respects, effective internal control over financial reporting as of December 31, 2011, based on the COSO criteria.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the 2011 consolidated financial statements of the Group and our report dated February 22, 2012 expressed an unqualified opinion thereon.

/s/ DELOITTE & ASSOCIES

/s/ ERNST & YOUNG AUDIT

Represented by Vincent de La Bachelerie

Neuilly-sur-Seine and Paris-La Défense,

February, 22, 2012

15.D CHANGES IN INTERNAL CONTROL OVER FINANCIAL REPORTING

None.

ITEM 16 [reserved]

ITEM 16A Audit committee financial expert

At its meeting held on February 5, 2008, France Telecom's Board of Directors determined that a member of its Audit Committee, Mr. Charles-Henri Filippi, is an Audit Committee financial expert as defined in Item 16A(b) of Form 20-F. Charles-Henri Filippi is "independent" as defined by Rule 10A-3(b)(1)(ii) of the Exchange Act, as amended (see Item 6 *Directors, Senior Management and Employees*).

ITEM 16B Code of ethics

France Telecom's Board of Directors has adopted a Code of Ethics that applies to all France Telecom employees, including the Chief Executive Officer, principal financial officer, principal accounting officer and persons performing similar functions. A copy of France Telecom's Code of Ethics is available on France Telecom's website at www.orange.com.

ITEM 16C Principal accountant fees and services

See Item 18 *Financial statements* - Note 20 *Fees paid to statutory auditors* to the consolidated financial statements for further information.

ITEM 16D Exemptions from listing standards for audit committees

France Telecom's Audit Committee consists of six directors including three directors who meet the independence requirements under Rule 10A-3 of the Exchange Act, as amended, and three who are exempt from such requirements pursuant to Rule 10A-3(b)(1)(iv) of the Exchange Act. The Audit Committee members exempt from the independence requirements include Mr. Comolli, who meets the exemption requirements under Rule 10A-3(b)(1)(iv)(E) of the Exchange Act relating to foreign government representatives, and Messrs. Guillot and Maouche, who meet the exemption requirements under Rule 10A-3(b)(1)(iv)(C) of the Exchange Act relating to non-executive employees. France Telecom's reliance on such exemptions does not materially adversely affect the ability of the Audit Committee to act independently.

ITEM 16E Purchase of equity securities by the issuer and affiliated purchasers

The information set forth in section 21.1.3 *Treasury shares held by or on behalf of the Issuer or its subsidiaries – Share buyback program*, on pages 556 *et seq.* of the 2011 Registration Document is incorporated herein by reference.

The table below presents additional information on the purchases of treasury shares in 2011 :

Settlement month	Total number of shares purchased ⁽¹⁾	Weighted average gross price per share (€)	Total number of shares purchased as part of publicly announced programs	Maximum number of shares that may yet be purchased under the programs ⁽²⁾
January 2011	1,623,031	15.84	1,623,031	261,399,124
February 2011	2,348,532	16.17	2,348,532	261,499,124
March 2011	1,965,000	15.73	1,965,000	261,499,124
April 2011	1,609,639	15.59	1,609,639	261,499,124
May 2011	1,436,000	15.66	1,436,000	261,299,124
June 2011	1,900,000	14.93	1,900,000	263,600,793
July 2011	1,977,150	14.17	1,977,150	264,850,793
August 2011	7,225,099	12.76	7,225,099	258,425,793
September 2011	9,910,565	11.70	9,910,565	256,559,121
October 2011	2,565,978	12.53	2,565,978	264,217,764
November 2011	1,986,000	12.26	1,986,000	262,965,793
December 2011	932,718	12.00	932,718	264,850,793
Total	35,479,712		35,479,712	261,399,124

⁽¹⁾ Until June 7, 2011, under the 2010 Share buyback program approved by the Annual Shareholders' Meeting of June 9, 2010 for up to 10% of the share capital; from June 7, 2011, under the 2011 Share buyback program approved by the Annual Shareholders' Meeting of June 7, 2011 for up to 10% of the share capital for a period of 18 months

⁽²⁾ At month end

ITEM 16F Change in Registrant's Certifying Accountant

Not applicable.

ITEM 16G Corporate governance

France Telecom has endeavored to take into account the NYSE corporate governance standards as codified in Section 303A of the NYSE Listed Company Manual. However, because France Telecom S.A. is not a US company, most of those standards do not apply to France Telecom, which may choose to follow rules applicable in France.

The table below discloses the significant ways in which France Telecom's corporate governance practices differ from those required for U.S. companies listed on the NYSE.

NYSE Standards	Corporate Governance Practices of France Telecom
Board Independence	<p>France Telecom's Board of Directors has chosen to check the independence of its members against the criteria set out in France in the Afep/Medef Report (in Item 16G : "the Report"), which provides that one-third of board members should be independent. According to the criteria the Report sets out, seven members (out of the total of 15 current board members) are independent.</p> <p>France Telecom has not tested the independence of its board members under the NYSE standards; a majority of the board may not be independent under those criteria.</p> <p>The criteria against which the directors' independence must be tested, as provided in the Report, are set forth in section 14.1.1.1 <i>Independent Directors</i> on page 297 of the 2011 Registration Document, which section is incorporated herein by reference.</p>

NYSE Standards**Corporate Governance Practices of France Telecom**

Executive Sessions/ Communications with the Presiding Director or Non- Management Directors	<p>French law does not require (and France Telecom does not provide for) non-management directors to meet regularly without management and nothing requires non-management directors to meet alone in an executive session at least once a year. However, if the directors decide to meet in such session, they may do so.</p> <p>French law does not mandate (and France Telecom does not provide for) a method for interested parties to communicate with the presiding director or non-management directors.</p>
Compensation/Nominating/ Corporate Governance Committee	<p>France Telecom has a combined Governance and Corporate Social Responsibility Committee. The Committee consists of three directors, including two independent directors. The NYSE standards provide for the implementation of two separate committees (a Nominating Committee and a Compensation Committee) composed exclusively of independent directors. In terms of internal mechanics, while the Committee has a written charter, it does not comply with all the requirements of the NYSE.</p>
Audit Committee	<p>France Telecom's Audit Committee consists of six directors including three independent directors.</p> <p>Of those, one is a representative of the French Government and two are employees who are not executive officers of the Issuer. While not meeting the definition of independence set forth in Rules 10A-3 (b) (1) of the Exchange Act, as amended, they fall within the exceptions under Rule 10A-3(b)(1)(iv) (C) relating to non executive employees and Rule 10A-3(b)(1)(iv) (E) relating to foreign government representatives. For its part, the Report recommends that two-thirds of an audit committee's members should be independent.</p> <p>The Committee is responsible for organizing the procedure for selecting the statutory auditors. It makes a recommendation to the Board of Directors regarding their choice and terms of compensation. As required by French law, the actual appointment of the statutory auditors is made by the Shareholders' Meeting.</p> <p>According to its charter, the Committee has the authority to engage advisors and determine appropriate funding for payment of compensation to an accounting firm for an audit or other service.</p>
Equity Compensation Plans	<p>Under French law, France Telecom must obtain shareholder approval at a Shareholders' Meeting in order to adopt an equity compensation plan. Generally, the shareholders then delegate to the Board of Directors the authority to decide on the specific terms and conditions of the granting of equity compensation, within the limits of the shareholders' authorization.</p>
Adoption and disclosure of corporate governance guidelines	<p>France Telecom has adopted corporate governance guidelines (the "Internal Guidelines", available on its website at www.orange.com) as required by French law.</p> <p>These corporate governance guidelines do not cover all items required by NYSE guidelines for U.S. companies.</p>
Code of Ethics	<p>France Telecom has adopted a Code of Ethics to be observed by all its directors, officers and other employees that generally meets the requirements of the NYSE.</p>

Item 16H Mine Safety Disclosure

Not applicable.

PART III

ITEM 17 Financial statements

Not applicable

ITEM 18 Financial statements

The information set forth in section 20.1.1 *Consolidated financial statements, Segment information, Notes to the consolidated financial statements* on pages 372 to 499 of the 2011 Registration Statement is incorporated herein by reference.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRMS

To the Board of Directors and Shareholders of France Telecom:

We have audited the accompanying consolidated statements of the financial position of France Telecom and subsidiaries (the "Group") as at December 31, 2011, 2010, 2009, and the related consolidated statements of income, comprehensive income, changes in shareholders' equity and cash flows for each of the three years in the period ended December 31, 2011. These financial statements are the responsibility of the Group's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2011, 2010, 2009, and the consolidated results of their operations and their cash flows for each of the three years in the period ended December 31, 2011, in conformity with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the Group's internal control over financial reporting as at December 31, 2011, based on the criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated February 22, 2012 expressed an unqualified opinion thereon.

/s/ DELOITTE & ASSOCIES

/s/ ERNST & YOUNG AUDIT

Represented by Vincent de La Bachelerie

Neuilly-sur-Seine and Paris-La Défense,
February, 22, 2012

ITEM 19 List of exhibits

- 1.1 Bylaws (statuts) of France Telecom, as amended on January 10, 2012.
- 2.3* Indenture dated March 14, 2001 between France Telecom and, inter alia, Citibank, NA as Trustee.
- 8.0 List of France Telecom's subsidiaries : the information set forth in Note 17 *Scope of consolidation and associates* to the 2 011 Consolidated financial statements, on page 478 of the 2011 Registration Statement is incorporated herein by reference.
- 12.1 Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
- 12.2 Certification of Chief Executive Officer Delegate acting in his capacity as Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
- 13.1 Certification of Chief Executive Officer pursuant to Section 18 U.S.C. section 1350, as adopted by Section 906 of the Sarbanes-Oxley Act of 2002.
- 13.2 Certification of Chief Executive Officer Delegate acting in his capacity as Chief Financial Officer pursuant to Section 18 U.S.C. section 1350, as adopted by Section 906 of the Sarbanes-Oxley Act of 2002.
- 15.1 Excerpt of the pages and sections of the 2011 Registration Document that are incorporated herein by reference
- 15.2 Consent of Deloitte & Associés as auditors of France Telecom.
- 15.3 Consent of Ernst & Young Audit as auditors of France Telecom.

* Incorporated by reference to France Telecom's annual report on Form 20-F for the year ended December 31, 2000, as filed with the Securities and Exchange Commission on May 29, 2001.

Signature

The registrant hereby certifies that it meets all of the requirements for filing on Form 20-F and that it has duly caused and authorized the undersigned to sign this annual report on its behalf.

FRANCE TELECOM

/s/ Gervais Pellissier

Name: Gervais Pellissier

Title: Chief Executive Officer Delegate and Chief Financial Officer

Paris, France
April 13, 2012

Exhibit 1.1

France Telecom's bylaws

As amended on January 10, 2012

ARTICLE 1 - LEGAL FORM

The Company France Telecom is a "société anonyme" (French corporation) governed by corporate law, subject to specific laws governing the Company, particularly French law no. 90-568 of July 2, 1990, as amended, and to these by-laws.

ARTICLE 2 - OBJECTS

The Company's corporate purpose, in France and abroad, specifically pursuant to the French Postal & Telecommunications Code, shall be

- to provide all electronic communication services in internal and international relations;
- to carry out activities related to public service and, in particular, to provide, where applicable, a universal telecommunications service and other mandatory services;
- to establish, develop and operate all electronic communications networks open to the public necessary for providing said services and to interconnect the same with other French and foreign networks open to the public;
- to provide all other services, facilities, handset equipment, electronic communications networks, and to establish and operate all networks distributing audiovisual services, and especially radio, television and multimedia broadcasting services;
- to set up, acquire, rent or manage all real estate or other assets and businesses, to lease, install and operate all structures, businesses, factories and workshops related to any of the purposes defined above;
- to obtain, acquire, operate or transfer all processes and patents related to any of the purposes defined above;
- to participate directly or indirectly in all transactions that may be related to any of the purposes defined above, through the creation of new companies or enterprises, the contribution, subscription or purchase of securities or corporate rights, acquisitions of interests, mergers, partnerships, or any other means;
- and more generally, all industrial, commercial, Company and financial transactions, or transactions involving movable or fixed assets, that may be related directly or indirectly, in whole or in part, to any of the aforementioned corporate purposes, or to any similar or related purposes, or to any and all purposes that may enhance or develop the Company's business.

ARTICLE 3 - COMPANY NAME

The Company's name is "France Telecom".

ARTICLE 4 - REGISTERED OFFICE

The registered office is at 6, place d'Alleray, Paris 75015, France.

The board of directors is empowered to transfer the Company's registered office, within the applicable statutory terms and conditions.

ARTICLE 5 - TERM

The Company was incorporated for a duration of ninety-nine years from December 31, 1996, barring early liquidation or extension.

ARTICLE 6 - SHARE CAPITAL

The share capital is 10,595,541,532 Euros, divided into 2,648,885,383 fully-paid up shares, each with a nominal value of four (4) euros.

ARTICLE 7 - CHANGES TO THE CAPITAL

The share capital may be increased, decreased or amortized in accordance with applicable legal provisions.

ARTICLE 8 - THE PAYMENT FOR CASH SHARES

In the event of a share capital increase, cash shares, when applied for, shall be paid up in the minimum proportion provided for under the law. Partly paid up shares shall be registered shares until fully paid up. Payment of the remainder shall be made in one or several instalments, pursuant to a decision by the board of directors, within a maximum time-limit of five years as of the date of the final capital increase.

Applicants will be informed of calls for funds by certified mail with acknowledgement of receipt within fifteen days at least of the date set for each payment. Payments shall be made either at the registered office, or any other place designated for this purpose.

Should the shareholder fail to pay by the date set by the board of directors, any amounts due shall bear interest, ipso jure, at the legal rate of interest, as of the due date for payment, without prejudice to other statutory proceedings and penalties. In particular, the Company may force the sale of the securities that have not been paid up.

ARTICLE 9 - LEGAL FORMS OF THE SHARES

Shares are in either nominative or bearer form, as decided by the shareholder and subject to statutory provisions.

The company may at any time, including by request to the central depository that operates the account for issuance of its securities, use all statutory or regulatory provisions that allow it to identify holders of securities that confer immediate or future voting rights in its shareholders' meetings, and to obtain information about the number of securities held by each of them and any restrictions that might be attached to the securities; this identification concerns in particular the holders of similar securities outside French territory.

In addition to the legal obligation to report to the Company of when the thresholds of 5%, 10%, 20%, 33⅓%, 50% and 66⅔% of the share capital or voting rights are crossed, any individual or legal entity, acting alone or in concert with others, who acquires directly or indirectly (as defined by Articles L. 233-7 et seq. of the French Commercial Code, a number of shares, voting rights or securities representing shares equal to 0.5% of the share capital or voting rights in the Company, must report the total number of shares, voting rights and securities giving rights to the share capital that such person or entity holds via registered mail with return receipt to the Company within five trading days after registration of the securities which enabled the holder to reach or cross the threshold.

This declaration must be repeated in accordance with the conditions indicated above each time a new 0.5% threshold is reached or crossed, whether crossing above or below, for any reason whatsoever, including beyond the 5% threshold.

In the event of failure to comply with any of the provisions set forth above, the shareholder or shareholders in question shall be deprived of the voting rights attached to any shares or securities in excess of the thresholds, subject to legal provisions and limits, if one or more shareholders holding at least 0.5% of the share capital or voting rights so requests at a shareholders' meeting.

ARTICLE 10 - TRANSFER AND PASSING ON OF SHARES

Shares are freely negotiable, subject to applicable legal and regulatory provisions. They shall be registered in a share account and are transferred by means of a transfer order from account to account.

ARTICLE 11 - RIGHTS AND OBLIGATIONS OF THE SHARES

Each share shall entitle its holder to a portion of the corporate profits and assets proportional to the amount of capital represented thereby. Furthermore, each share shall entitle its holder to vote and be represented in the shareholders' meetings in accordance with statutory rules and the provisions of these by-laws. Ownership of one share implies, ipso jure, adherence to the by-laws and the decisions of the shareholders' meeting.

The shareholders shall be liable for losses within the limits of their contributions to the Company's capital.

The heirs, creditors, legal beneficiaries and other representatives of a shareholder may not place liens on the property or securities of the Company, nor request the division or public sale, nor interfere in the administration of the Company. For the proper exercise of their rights, they shall refer to the corporate records and to the decisions of the shareholders' meeting.

At times when ownership of several shares is necessary in order to exercise any right as in an exchange, grouping or allocation of shares, or as a consequence of a capital increase or decrease, merger or other corporate operation, the owners of isolated shares, or shares lower than the required amount, may only exercise the particular right on condition that the shareholder personally takes the required steps to group or, if applicable, purchase or sell the number of requisite shares.

ARTICLE 12 - THE SHARES ARE INDIVISIBLE—USUFRUCT

1. The shares shall be indivisible with regard to the Company.

Joint owners of indivisible shares shall be represented at shareholders' meetings by either owned or by a single proxy. In the event of disagreement, the proxy shall be appointed by the courts at the request of joint-owner so petitioning.

2. The voting rights attached to the share shall belong to the usufructuary at ordinary shareholders' meetings, and to the bare-owner at extraordinary shareholders' meetings.

ARTICLE 13 - THE BOARD OF DIRECTORS

1. The company is managed by a Board of Directors comprised of at least twelve members and no more than twenty-two members, including:

- three directors representing the Company's employees and the employees of its direct or indirect subsidiaries (pursuant to Article L. 225-27 of the French Commercial Code) whose registered offices are on French territory, including one representative for engineers, managers and related workers;
- one director representing employee shareholders (or contributors to a corporate mutual fund holding shares of the Company), appointed by the general meeting of shareholders.

In the event of a vacancy, as a result of death or by resignation, of one or more seats of directors appointed by the general meeting of shareholders, apart from the director representing employee shareholders, the Board of Directors may, between two general meetings, make appointments on a provisional basis subject to the approval of the next ordinary general meeting, within the limits and conditions provided by law.

2. The method of voting in order to fill each seat of director representing employees is the method provided in the applicable legal and regulatory provisions.

Specifically, elections shall be by:

- two-round election on a majority basis for the electoral college of engineers, managers and related workers;
- proportional voting by list on a plurality basis and without crossovers for the electoral college of the other employees.

All employees satisfying the conditions prescribed by law can vote and are eligible. Each candidacy for the election of the Board member representing the electoral college of engineers, managers and related workers shall include, in addition to the name of the candidate, the name of a substitute in the event of a vacancy for any reason. Each list of candidates for the election of representatives from the electoral college of other employees shall include at least four names.

The term of office for employee directors shall be four years.

On an exceptional basis, the term of office of employee directors which began prior to the Shareholders' Meeting which approved the financial statements for the year ended December 31, 2007, shall terminate on the expiration date of the term of office in force when those directors were elected.

Newly elected employee directors shall assume office upon expiry of the term of office of their predecessors.

The term of office of an employee director who himself ceases to be an employee shall cease as a result.

Elections shall be held such that a second vote may take place no less than fifteen days before the outgoing directors relinquish their office.

During each election, the board of directors shall establish the list of subsidiaries and arrange elections on a date allowing the time limits set out below to be observed.

The time limits to be observed for each election are as follows:

- the date of the election is made public at least eight weeks before the vote;
- the list of electors is made public at least six weeks before the vote;

- candidacies shall be registered at least five weeks before the vote, it being specified that candidates must be members of the electoral college that they wish to represent;
- the list of candidates shall be made public at least four weeks before the vote;
- the documents needed for mail-in votes shall be sent at least three weeks before the vote.

If there are no candidacies in one of the electoral colleges, the corresponding seat(s) shall remain vacant until the next election of directors representing employees.

The vote shall take place in the course of a single day, at the place of work and during normal working hours. However, the following persons are entitled to a mail-in vote:

- staff members who are expected to be absent on the day of the vote;
- staff members who are remote from the polling station to which they are assigned, by virtue of the nature or conditions of their employment;
- staff members working on sites where there is no polling station.

The terms and procedures for the organization and conduct of the election of directors representing employees, which are not specified by applicable legal or regulatory provisions, or by these by-laws, shall be established by the board of directors, or by the Chairman of the Board acting upon delegation, for companies within the perimeter set forth in the first sub-paragraph of 1 above.

3. The director representing the employee shareholders shall be appointed, pursuant to applicable legal and regulatory provisions, by the general meeting of shareholders upon a motion proposed by the shareholders referred to in Article L. 225-102 of the French Commercial Code, it being specified that all employees, including civil servants, shall be taken into account.

Candidates for the office of director representing the employee shareholders shall be appointed subject to the following conditions:

- a) Where the voting rights of the shares held by employees (or by the mutual funds of which they are members) are exercised by members of the supervisory board of said unit trusts, the candidates shall be appointed by this board.
- b) Where the voting rights of the shares held by employees (or by the mutual funds of which they are members) are exercised directly by these employees, the candidates shall be appointed during the consultation provided for by Article L. 225-106 of the Code de commerce, either by the employee shareholders meeting specially for this purpose, or in connection with a written consultation.

Employees of the Company, or of companies and groups linked to it within the meaning of Article L. 225-180 of the Code de commerce, who satisfy the conditions set forth by law, are eligible. A list shall be prepared of all the candidates duly nominated under a) and b) of the preceding paragraph. It shall include the names of at least two candidates with, for each of the candidates, the name of a replacement should a vacancy arise for any reason.

The shareholders' meeting votes on all eligible candidacies; the candidate receiving the most votes shall be the director representing the shareholding employees.

The term of office of the director representing the employee shareholders shall be four years. This director's term shall cease at the end of the shareholders' meeting convened to approve the financial statements of the previous year, held in the course of the year when his term of office expires. However, the term shall automatically cease and the director representing the employee shareholders shall be deemed to have resigned his office if he ceases to be an employee of the Company, or of the companies or groups linked to it within the meaning of Article L. 225-180 of the French Commercial Code.

On an exceptional basis, the term of office of the director representing employee shareholders, which began prior to the Shareholders' Meeting having approved the financial statements of the year ended December 31, 2007, shall terminate on the expiration date of the term of office in force when this director was appointed.

Where the office of the director representing employee shareholders becomes vacant for any reason, the director's replacement shall immediately enter into office for the remainder of the term of office of his predecessor.

The conditions for the organization and conduct of the election of the director representing the employee shareholders, where not specified by applicable legal and regulatory provisions, or by these by-laws, particularly with regard to the time limits for the nomination of candidates, shall be established by the board of directors or by the Chairman of the Board acting upon delegation.

4. In the event of a vacancy for whatever reason of one or more seats of directors representing the employees and for which replacement pursuant to Article L. 225-34 of the French Commercial Code has not been possible, the board of directors, duly composed of the remaining members, may validly meet and deliberate prior to the election of the new director(s) representing employees, who shall be considered as in office for the purposes of determining the minimum number of directors pursuant to paragraph 1 above. This procedure is also applicable in the event that the seat of the director representing the employee shareholders becomes vacant, for whatever reason.
5. The Board may appoint a secretary, who need not necessarily be a Board member.
6. The term of office for directors shall be four years.

The duties of the directors, apart from those directors representing employees and, if applicable, the directors representing the French Government, shall cease at the end of the shareholders' meeting convened to approve the financial statements for the previous year, held during the year when their terms of office expire. On an exceptional basis, the terms of office of directors appointed by the Shareholders' Meeting, which began prior to the Shareholders' Meeting having approved the financial statements of the year ended December 31, 2007, shall terminate on the expiration date of the term of office in force when those directors were appointed.

7. The shareholders' meeting shall set the directors' attendance fees.

The board of directors, after express deliberation, shall be free to distribute this remuneration among the directors, subject to applicable legal and regulatory provisions.

Costs incurred by directors during their terms of office shall be reimbursed by the Company against documentary evidence.

8. Each director appointed by the shareholders' meeting (apart from the director representing the employee shareholders) shall own at least one thousand shares in the Company.
9. The board of directors may call upon members of the Company, or individuals outside the Company, to assist at Board meetings without granting them a vote.
10. Individuals called upon to assist at Board meetings shall be bound by the same rules of discretion as the directors themselves.
11. The board of directors may appoint, on a motion proposed by its Chairman, one or more "observers" chosen from among the shareholders, whether individuals or legal entities, or from outside their number.

Their terms of office shall be set by the board of directors, but shall not exceed four years.

Observers can always be re-elected. The board of directors may terminate their appointment at any time.

In the event of an observer's death, dismissal or surrender of office for any other reason, the board of directors may appoint a replacement for the remainder of said observer's term of office.

Observers are called on to assist as observers at Board meetings and may be consulted by it or by its Chairman.

An observer's office is unpaid. Nevertheless, the board of directors may authorize reimbursement of expenses which observers incur on behalf of the Company.

ARTICLE 14 - THE CHAIRMAN OF THE BOARD OF DIRECTORS – APPOINTMENT

The board of directors shall elect its Chairman from among its members who are natural persons. The Chairman shall be elected for the entire duration of his office as director and may be re-elected.

The age limit for carrying out the duties of Chairman of the Board of Directors is set at 70 years. If this age limit is reached during office, the Chairman of the Board shall be considered as having resigned from office.

ARTICLE 15 - BOARD MEETINGS

1. The board of directors shall convene as often as the Company's interests so require, pursuant to notice from the Chairman.

The meeting will take place at the registered office or at any other place indicated in the notice to convene. In principle, the notice to convene must be given at least five days in advance by letter, telegram, telex or fax. It must contain the agenda. In the event of an emergency meeting, the notice may be given immediately and by any means, including verbally.

Meetings of the board of directors shall be chaired by the Chairman of the board of directors or, if unable to do so, by the most senior director present.

2. The Board may not validly deliberate unless a quorum of at least half of its members are present or, as the case may be, are deemed to be present under the terms of (4) hereafter.

Decisions will be taken by a majority of members present, deemed to be present, or represented. In the event of a tie, the Chairman of the meeting shall cast the deciding vote.

3. An attendance sheet shall be kept which must be signed by the directors at the Board meeting and record, as the case may be, the participation of directors by means of videoconferencing or telecommunications. Board decisions shall be recorded in minutes drawn up in compliance with applicable legal provisions and signed by the Chairman of the meeting and by one director or, if the Chairman of the meeting is unable to attend, by two directors. Copies or extracts of the minutes may be certified by the Chairman of the board of directors, the Chief Executive Officer, the Delegated Managing Director, the director temporarily delegated to the duties of Chairman or the holder of a power of attorney duly authorized for this purpose.

4. The board of directors, in accordance with statutory and regulatory requirements, may draw up internal guidelines fixing the terms and conditions under which directors who take part in a meeting of the Board by means of videoconferencing or telecommunications allowing their identification and assuring their actual participation, are deemed present, for calculating the quorum and the majority. The form and terms of application of these internal guidelines are set forth by decree.

ARTICLE 16 - POWERS OF THE BOARD OF DIRECTORS

The board of directors shall determine the strategy of the Company's activities and shall ensure its implementation. Subject to the powers expressly granted to the shareholders' meetings and to the Chairman of the board of directors and within the scope of the corporate objects, the Board shall take up all questions related to the management of the Company and by its deliberations shall settle all related affairs.

The board of directors shall undertake such checks and verifications that it judges appropriate.

The board of directors may decide to set up special, consulting commissions to control, in particular, contracts, the procedures employed to enter into contracts, and to audit France Telecom's accounts.

The board of directors will determine the by-laws and powers of these commissions. The commissions will report to their tasks to the board of directors.

The board of directors may delegate these powers to any person it deems fit, even not belonging to the Company, either in France or abroad, within the limits of the law and the present by-laws.

ARTICLE 17 - POWERS OF THE CHAIRMAN OF THE BOARD OF DIRECTORS

The Chairman of the board of directors shall organize and direct the board's work, which he shall report on to the general meeting. He shall ensure the proper functioning of the Company's governing bodies and, shall ensure in particular, that the directors are able to carry out their duties.

In accordance with Article 29-1 and 29.2 of French law no. 90-568 of July 2, 1990, as amended, the Chairman of the board of directors shall have the power to appoint and manage the civil servants employed by the company.

ARTICLE 18 - GENERAL MANAGEMENT

General management of the Company shall be assumed under the responsibility of either the Chairman of the board of directors, who shall then assume the title of Chairman and Chief Executive Officer, or, if applicable, by another person appointed by the board of directors and bearing the title of Chief Executive Officer.

The board of directors shall decide between these two arrangements for the exercise of general management, and shall duly inform the shareholders and third parties according to the applicable regulatory conditions.

The decision of the board of directors relating to the choice of form of general management shall be made in accordance with the quorum and majority rules set forth in point 2 of article 15.

The arrangement selected - and any subsequent option - is only valid until the board of directors decides otherwise, acting under the same majority conditions; in any event, the board of directors must make a decision relating to the arrangement for the exercise of general management at the time it nominates or re-appoints its Chairman or at the time it nominates or re-appoints the Chief Executive Officer, if this position is separate from that of Chairman.

Where the board of directors elects to separate the positions of Chairman and Chief Executive Officer from that of Chief Executive Officer, it shall nominate the Chief Executive Officer from among its directors or from outside their number, set his term of office, determine his remuneration and, where necessary, any limitations to his powers.

The age limit for exercising the duties of Chief Executive Officer is set at 70 years. If the age limit is reached during office, the Chief Executive Officer shall be considered as having resigned from office.

The Chairman and Chief Executive Officer or, if applicable, the Chief Executive Officer, shall be granted the widest powers to act in any matter on behalf of the Company in all circumstances. He shall exercise his powers within the limits of the corporate purpose and subject to the powers expressly attributed by law to shareholders' meetings, to the board of directors and, where the positions of Chairman of the board of directors and Chief Executive Officer are separate, to the Chairman of the board.

The Chairman and Chief Executive Officer or, if applicable, the Chief Executive Officer, shall represent the Company in its relations with third parties. The Company shall be bound also by actions of the Chairman and Chief Executive Officer or, if applicable, the Chief Executive Officer, which do not come within the corporate purpose, unless it proves that the third party knew that the action was outside of the limits of this purpose, or that the third party could not have not known this in view of the circumstances, it being specified that the mere publication of the by-laws does not constitute such proof.

ARTICLE 19 - DELEGATED GENERAL MANAGEMENT

At the proposal of the Chairman and Chief Executive Officer or, if applicable, the Chief Executive Officer, the board of directors may appoint one or more individuals with the title of Delegated Managing Director(s), who shall be responsible for assisting the Chairman and Chief Executive Officer or, if applicable, the Chief Executive Officer.

The maximum number of Delegated Managing Directors is set at five.

The age limit for exercising the duties of Delegated Managing Directors is set at 70 years. If the age limit is reached during office the Delegated Chief Executive Officer shall be considered as having resigned from office.

In agreement with the Chairman and Chief Executive Officer or, if applicable, the Chief Executive Officer, the board of directors shall determine the extent and duration of the powers granted to the Delegated Managing Director(s).

With regard to third parties, the Delegated Managing Director(s) shall have the same powers as the Chairman and Chief Executive Officer or, if applicable, the Chief Executive Officer.

The board of directors shall determine the compensation of the Delegated Managing Directors.

If the Chairman and Chief Executive officer or, where applicable, the Chief Executive Officer, ceases to exercise, or is prevented from exercising, his duties, the Delegated Managing Directors shall, except where otherwise decided by the board, remain in office and retain their duties until appointment of the new Chairman and Chief Executive Officer or, where applicable, of the new Chief Executive Officer.

ARTICLE 20 - STATUTORY AUDITORS

The Company's accounts shall be audited by two auditors appointed in conformity with the law and exercising their duties in accordance therewith.

Two deputy auditors shall be appointed to replace the official auditors in the event of refusal, prevention, resignation or death.

ARTICLE 21 - SHAREHOLDERS' MEETINGS

1. Shareholders' meetings are composed of all shareholders whose shares are paid up and for whom a right to attend shareholders' meetings has been established by registration of the shares in an account in the name either of the shareholder or of the intermediary holding their account where the shareholder is not resident in France, by 0:00 a.m. (Paris time) on the third business day preceding the meeting.

The shares must be registered within the time limit specified in the preceding paragraph either in an account in their own name maintained by the Company, or in the bearer share accounts maintained by the authorized intermediary.

If it sees fit to do so, the board of directors may distribute personalized admission cards to shareholders and require them to produce these cards at the meeting.

Shareholders participating via video-conferencing or other means of telecommunications contemplated by law and regulation that allow identification shall be deemed present for the calculation of quorum and majority of shareholders' meetings.

The board of directors organizes, in accordance with legal and regulatory requirements, the participation and vote of these shareholders at the meeting, assuring, in particular, the effectiveness of the means of identification.

Any shareholder may, in accordance with legal and regulatory requirements, vote without attending the meeting or by proxy by granting a proxy to their spouse or to another shareholder in order to be represented at a shareholders' meeting.

Shareholders may, in accordance with legal and regulatory requirements, send their vote or proxy, either by hard copy or via means of telecommunications, until 3 p.m. (Paris time) the day before the meeting. Transmission methods are set forth by the board of directors in the notice of meeting and the notice to attend.

Shareholders sending in their vote within the time limit specified under this section, by means of the form provided by the Company to shareholders, are deemed present or represented at the meeting.

The forms for sending in a vote or a proxy, as well as the certificate of attendance, can be completed in electronic format duly signed in the conditions specified by the applicable laws and regulations. For this purpose, the recording of the electronic signature on the certificate can be made directly on the Internet site established by the organizer of the meeting. The electronic signature may be carried out by recording, in conditions which comply with the first sentence of the second paragraph of Article 1316-4 of the French Civil Code (Code Civil), by means of an identifier and password or by any other procedure meeting the conditions defined in the first sentence of the second paragraph of Article 1316-4 of the French Civil Code. The proxy or the vote thus cast prior to the meeting by electronic means, as well as where applicable the acknowledgement sent in response, will be considered as irrevocable and binding records, with the exception of the transfer of shares subject to the notification foreseen by section IV of Article R. 225-85 of the French Commercial Code.

Shareholders who are not resident in France may be represented at a shareholders' meeting by a registered intermediary who may participate subject to legal requirements.

2. Shareholders' meetings are convened by the board of directors, or, failing that, by the auditors, or by any person empowered for this purpose. Meetings are held at the registered offices or any other location indicated in the notice to convene.

Subject to exceptions provided by law, notices must be given at least 15 days before the date of the meeting. When the shareholders' meeting cannot deliberate due to the lack of the required quorum, the second meeting and, if applicable, the second postponed meeting, must be called at least six days in advance in the same manner as used for the first notice.

3. The agenda of the shareholders' meeting shall appear in the notice to convene for meeting and is set by the author of the notice.

The shareholders' meeting may only deliberate on the items on the agenda.

One or more shareholders representing the percentage of capital required by law, and acting in accordance with legal requirements and within applicable time limits, may request the inclusion of proposed resolutions on the agenda.

An attendance sheet containing the information required by law shall be kept at each shareholders' meeting.

Shareholders' meetings shall be chaired by the Chairman of the board of directors or, in his or her absence, by a director appointed for this purpose by the board of directors; failing which, the meeting itself shall elect a chairman.

Vote counting shall be performed by the two members of the meeting who are present and accept such duties, who represent, either on their own behalf or as proxies, the greatest number of votes.

The officers shall name a secretary, who does not have to be a shareholder.

The mission of the meeting's officers is to verify, certify and sign the attendance sheet, ensure the proper conduct of debates, settle any incidents occurring during the meeting, check the votes cast and ensure their legality and ensure that minutes of the meeting are drawn up.

The minutes shall be prepared, and copies or excerpts of the deliberations shall be issued and certified as required by law.

4. Ordinary shareholders' meetings are those meetings called to make any and all decisions that do not amend the by-laws. An ordinary meeting shall be convened at least once a year within six months of the end of each financial year in order to approve the annual and consolidated accounts for the year in question or, in case of postponement, within the period established by court order.

On the first convocation, the meeting may validly deliberate only if the shareholders present or represented by proxy or voting by mail represent at least one-fifth of the shares entitled to vote. Upon the second convocation, no quorum is required. Decisions are made by a majority of votes held by the shareholders present, represented by proxy, or voting by mail.

Only the extraordinary shareholders' meeting is authorized to amend any and all provisions of the by-laws. It may not, however, increase shareholder commitments, except for properly executed transactions resulting from a share consolidation.

Subject to the legal provisions governing capital increases from reserves, profits or share premiums, the resolutions of the extraordinary meeting shall be valid only if the shareholders present, represented by proxy or voting by mail represent at least one-fourth of all shares entitled to vote when convened for the first time, or one-fifth when convened for the second time. If the latter quorum is not reached, the second meeting may be postponed to a date no later than two months after the date for which it was called.

Subject to the same condition, the second meeting shall make decisions by a two-thirds majority of the shareholders present, represented by proxy, or voting by mail.

ARTICLE 22 - SHAREHOLDERS' RIGHT TO OBTAIN INFORMATION

All shareholders are entitled to access the documents necessary to allow them to have full knowledge of relevant facts and make an informed judgment concerning the management and operation of the Company.

The nature of these documents and the conditions under which they are mailed or made available are set by law.

ARTICLE 23 - FINANCIAL YEAR

The financial year is twelve months, beginning January 1 and ending December 31 of each year.

ARTICLE 24 - ANNUAL AND CONSOLIDATED ACCOUNTS

The board of directors shall keep proper accounts of corporate activities and draw up annual and consolidated accounts, in conformity with applicable laws, regulations and standards.

ARTICLE 25 - ALLOCATION OF RESULTS FROM THE ANNUAL ACCOUNTS

The income statement, which summarizes the income and expenses for the financial year, shows, after deduction of depreciation and amortization and provisions, the profit or loss for the year.

Of the earnings for the financial year less prior losses, if any, at least 5% is set aside to fund the legal reserve. This withdrawal ceases to be mandatory when the reserve reaches one-tenth of the share capital; it resumes when, for any reason, the legal reserve falls below this one-tenth figure.

Distributable profits consist of the profits for the year, less prior losses, plus the amounts to be placed in reserves as required by law or the by-laws, plus retained earnings. The shareholders' meeting may withdraw from these earnings any sums it deems appropriate to allocate to any optional reserves or to carry forward to the next financial year.

Moreover, the shareholders' meeting may decide to distribute sums taken from reserves at its disposal, expressly indicating the reserve items from which such withdrawals are made. However, dividends shall first be taken from the distributable earnings for the year.

Except in the case of a capital reduction, no distribution may be made to shareholders when shareholders' equity is or would, as a result of such a distribution, be less than the amount of capital plus reserves which the law or the by-laws prohibit from being distributed. The re-evaluation variance may not be distributed; it may be incorporated, in whole or in part, into the capital.

ARTICLE 26 - PAYMENT OF DIVIDENDS

The terms and conditions for the payment of the dividends approved by the shareholders' Meeting are determined by the shareholders' meeting, or in lieu, by the board of directors. However, cash dividends must be paid within a maximum of nine months after the close of the financial year, unless extended by court order.

The ordinary shareholders' meeting may grant each shareholder, for all or part of the dividends to be distributed, an option between payment of the dividends in cash or in shares, subject to legal requirements.

Interim dividends may be distributed before the approval of the financial statements for the year when the balance sheet established during or at the end of a financial year and certified by an auditor, shows that the Company has made a profit since the close of the last financial year, after recognizing the necessary depreciation and provisions and after deducting prior losses, if any, and the sums to be allocated to reserves, as required by law or the by-laws, and including any retained earnings. The amount of such interim dividends may not exceed the amount of the profit so defined.

Dividends not claimed within five years after the payment date shall be deemed to expire.

ARTICLE 27 - LIQUIDATION

Subject to the applicable legal provisions, the Company shall be in liquidation from the time of its winding-up, however brought about. The general meeting of shareholders shall then decide on the method of liquidation and appoint the liquidator(s). The legal entity of the Company shall continue for the purposes of liquidation, until its definitive closure.

The Company shall, insofar as all other liquidation conditions and arrangements are concerned, abide by the applicable legal provisions, subject to the rights of its shareholders as set forth in these by-laws; specifically, after its liabilities have been discharged, any balance that may be available for distribution shall be divided equally between all of the shares.

ARTICLE 28 - DISPUTES

All disputes which may arise during the Company's existence or its liquidation, either between the shareholders and the Company or among the shareholders themselves, concerning the business of the Company or the interpretation or implementation of these by-laws will be submitted to the jurisdiction of the relevant courts located in the jurisdiction where the Company's head office is situated.

Certification

I, Stéphane Richard, certify that:

1. I have reviewed this annual report on Form 20-F of France Telecom;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of France Telecom as of, and for, the periods presented in this report;
4. The company's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for France Telecom and have:
 - (a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) evaluated the effectiveness of the company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) disclosed in this report any change in the company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting; and
5. The company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company's auditors and the audit committee of the company's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control over financial reporting.

/s/ Stéphane Richard

Name: Stéphane Richard

Title: Chairman and Chief Executive Officer

Paris, France

April 13, 2012

Certification

I, Gervais Pellissier, certify that:

1. I have reviewed this annual report on Form 20-F of France Telecom;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of France Telecom as of, and for, the periods presented in this report;
4. The company's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for France Telecom and have:
 - (a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.
 - (c) evaluated the effectiveness of the company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) disclosed in this report any change in the company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting; and
5. The company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company's auditors and the audit committee of the company's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control over financial reporting.

/s/ Gervais Pellissier

Name: Gervais Pellissier

Title: Chief Executive Officer Delegate and Chief Financial Officer

Paris, France

April 13, 2012

Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the annual report of France Telecom on Form 20-F for the period ending December 31, 2011, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned hereby certifies that, to the best of his knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of France Telecom.

/s/ Stéphane Richard

Name: Stéphane Richard

Title: Chairman and Chief Executive Officer

Paris, France

April 13, 2012

This certification will not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, or otherwise subject to the liability of that section. This certification will not be deemed to be incorporated by reference into any filing under the Securities Act of 1933 or the Securities Exchange Act of 1934.

A signed original of this written statement required by Section 906 has been provided to France Telecom and will be retained by France Telecom and furnished to the Securities Exchange Commission or its staff upon request.

Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the annual report of France Telecom on Form 20-F for the period ending December 31, 2011, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned hereby certifies that, to the best of his knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of France Telecom.

/s/ Gervais Pellissier

Name: Gervais Pellissier

Title: Chief Executive Officer Delegate and Chief Financial Officer

Paris, France

April 13, 2012

This certification will not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, or otherwise subject to the liability of that section. This certification will not be deemed to be incorporated by reference into any filing under the Securities Act of 1933 or the Securities Exchange Act of 1934.

A signed original of this written statement required by Section 906 has been provided to France Telecom and will be retained by France Telecom and furnished to the Securities Exchange Commission or its staff upon request.

Exhibit 15.1

Excerpt containing the pages and sections of the 2011 registration document that are incorporated by reference into the 2011 annual report on form 20-F

[This document is posted on the SEC website at :

<http://www.sec.gov/Archives/edgar/data/1038143/000130817912000088/exhibit151.htm>]

Consent of independent registered public accounting firm

We consent to the incorporation by reference in the Registration Statement and related Prospectus on Form F-3 (File No. 333-178444) of our reports dated February 22, 2012 relating to the consolidated financial statements of France Telecom and subsidiaries, and the effectiveness of France Telecom's internal control over financial reporting, appearing in this Annual Report on Form 20-F of France Telecom for the year ended December 31, 2011.

/s/ DELOITTE & ASSOCIÉS

Neuilly-sur-Seine, France

April 13, 2012

Consent of independent registered public accounting firm

We consent to the incorporation by reference in the Registration Statement and related Prospectus (Form F-3 No. 333-178444) of France Telecom and subsidiaries of our reports dated February 22, 2012, with respect to the consolidated financial statements of France Telecom and subsidiaries and the effectiveness of internal control over financial reporting of France Telecom and subsidiaries, included in this Annual Report (Form 20-F) for the year ended December 31, 2011.

/s/ ERNST & YOUNG Audit

Represented by Vincent de La Bachelerie

Paris-La Défense, France

April 13, 2012